

State of Arizona  
House of Representatives  
Fiftieth Legislature  
Second Regular Session  
2012

# HOUSE BILL 2852

AN ACT

REPEALING LAWS 2011, CHAPTER 24, SECTION 130; AMENDING LAWS 2011, CHAPTER 24, SECTIONS 131 AND 139; MAKING APPROPRIATIONS AND BUDGET REDUCTIONS, LIMITATIONS AND TRANSFERS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS FOR FISCAL YEARS 2011-2012, 2012-2013 AND 2013-2014; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Laws 2011, chapter 24, section 130 is repealed.

4 Sec. 2. Laws 2011, chapter 24, section 131 is amended to read:

5 Sec. 131. Special employee health insurance trust fund;  
6 appropriation; purpose

7 Notwithstanding any other law, during fiscal ~~year~~ YEARS 2011-2012 AND  
8 2012-2013, the department of administration shall have the authority to  
9 negotiate and settle with the federal government any debts incurred due to  
10 fund transfers from the SPECIAL EMPLOYEE health insurance trust fund  
11 ESTABLISHED BY SECTION 38-654, ARIZONA REVISED STATUTES, in fiscal year  
12 2011-2012. Settlement monies are appropriated from the SPECIAL EMPLOYEE  
13 health insurance trust fund for this purpose. Before expending these monies,  
14 the department of administration shall provide an expenditure plan to the  
15 joint legislative budget committee for its review.

16 Sec. 3. Laws 2011, chapter 24, section 139 is amended to read:

17 Sec. 139. Health savings accounts; intent; report

18 A. It is the intent of the legislature that the department of  
19 administration offer state employees an enhanced health savings account  
20 option for the plan year beginning January 1, 2012.

21 B. On or before January 31, 2012, the department shall submit a report  
22 to the joint legislative budget committee on the fiscal year 2011-2012  
23 employer contribution savings associated with the implementation of the  
24 enhanced health savings account option.

25 ~~C. In addition to any other appropriation reductions made in fiscal~~  
26 ~~year 2011-2012, notwithstanding any other law, monies shall be reduced from~~  
27 ~~state general fund appropriations and other state funds appropriated to state~~  
28 ~~agency units and from nonfederal nonappropriated funds for benefit costs and~~  
29 ~~transferred or reverted to the state general fund for the purposes of~~  
30 ~~providing adequate support and maintenance for agencies of this state. The~~  
31 ~~joint legislative budget committee staff shall determine and the department~~  
32 ~~of administration shall allocate to each agency a reduction for this section~~  
33 ~~based on the report in subsection B.~~

34 Sec. 4. Subject to applicable laws, the sums or sources of revenue set  
35 forth in this act are appropriated for the fiscal years indicated and only  
36 from the funding sources listed for the purposes and objects specified. If  
37 monies from funding sources in this act are unavailable, no other funding  
38 source shall be used.

39 Sec. 5. BOARD OF ACCOUNTANCY

40		<u>2012-13</u>
41	FTE positions	13.0
42	Lump sum appropriation	\$ 1,887,800
43	Fund sources:	
44	Board of accountancy fund	\$ 1,887,800

1	Sec. 6. ACUPUNCTURE BOARD OF EXAMINERS	
2		<u>2012-13</u>
3	FTE positions	1.0
4	Lump sum appropriation	\$ 125,300
5	Fund sources:	
6	Acupuncture board of examiners	
7	fund	\$ 125,300
8	Sec. 7. DEPARTMENT OF ADMINISTRATION	
9		<u>2012-13</u>
10	FTE positions	528.1
11	Operating lump sum appropriation	\$ 78,777,200
12	Utilities	8,275,600
13	County attorney immigration	
14	enforcement	1,213,200
15	Human resources information	
16	solution - certificate of	
17	participation	3,319,600
18	Public safety communications	527,200
19	Risk management administrative	
20	expenses	8,746,100
21	Risk management losses and	
22	premiums	44,691,200
23	Workers' compensation losses	
24	and premiums	30,955,200
25	Statewide information security	
26	and privacy office	853,100
27	State surplus property sales	
28	proceeds	<u>1,260,000</u>
29	Total appropriation - department of	
30	administration	\$178,618,400
31	Fund sources:	
32	State general fund	\$ 13,422,200
33	Air quality fund	714,100
34	Automation operations fund	18,672,400
35	Capital outlay stabilization fund	17,890,500
36	Corrections fund	552,500
37	Federal surplus materials revolving	
38	fund	451,400
39	Information technology fund	3,120,500
40	Motor vehicle pool revolving fund	10,038,900
41	Personnel division fund	12,333,800
42	Risk management revolving fund	91,867,800

1	Special employee health insurance	
2	trust fund	5,108,300
3	State surplus materials revolving	
4	fund	2,378,800
5	State web portal fund	250,000
6	Telecommunications fund	1,817,200

7 Of the \$1,213,200 appropriated to the county attorney immigration  
8 enforcement line item, \$200,000 shall be distributed to the county attorney  
9 of a county in this state having a population of two million or more persons  
10 for the purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
11 Statutes, and \$500,000 shall be distributed to the county sheriff of a county  
12 in this state having a population of two million or more persons for the  
13 purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
14 Statutes. Subject to the prior approval of the joint legislative budget  
15 committee, the remaining monies may be distributed to county attorneys and  
16 county sheriffs of counties with populations of less than two million persons  
17 for the purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
18 Statutes. This appropriation is exempt from the provisions of section  
19 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. The  
20 appropriated monies may be spent in the sole discretion of the county  
21 attorney or county sheriff to whom the monies are distributed for the purpose  
22 of enforcing title 23, chapter 2, article 2, Arizona Revised Statutes,  
23 without any further approval or other action by the county board of  
24 supervisors of the county.

25 The department may collect an amount not to exceed \$1,762,600 from  
26 other funding sources, excluding federal funds, to recover pro rata costs of  
27 operating AFIS II.

28 The appropriation for the automation operations fund is an estimate  
29 representing all monies, including balance forward, revenue and transfers  
30 during fiscal year 2012-2013. These monies are appropriated to the  
31 department of administration for the purposes established in section 41-711,  
32 Arizona Revised Statutes. The appropriation shall be adjusted as necessary  
33 to reflect receipts credited to the automation operations fund for automation  
34 operation center projects. Before the expenditure of any automation  
35 operations fund revenues in excess of \$18,672,400 in fiscal year 2012-2013,  
36 the department of administration shall report the intended use of monies to  
37 the joint legislative budget committee.

38 The amounts appropriated for the state employee transportation service  
39 subsidy shall be used for up to a fifty per cent subsidy of charges payable  
40 for transportation service expenses as provided in section 41-786, Arizona  
41 Revised Statutes, of nonuniversity state employees in a vehicle emissions  
42 control area as defined in section 49-541, Arizona Revised Statutes, of a  
43 county with a population of more than four hundred thousand persons.

1 It is the intent of the legislature that the department not replace  
 2 vehicles until an average of 120,000 miles or more.

3 All state surplus materials revolving fund revenues received by the  
 4 department of administration in excess of the \$1,260,000 appropriated to the  
 5 state surplus property sales proceeds line item in fiscal year 2012-2013 are  
 6 appropriated to the department. Before the expenditure of state surplus  
 7 materials revolving fund receipts in excess of \$1,260,000 in fiscal year  
 8 2012-2013, the department of administration shall report the intended use of  
 9 monies to the joint legislative budget committee.

10 Sec. 8. OFFICE OF ADMINISTRATIVE HEARINGS

		<u>2012-13</u>
11		
12	FTE positions	12.0
13	Lump sum appropriation	\$ 825,600
14	Fund sources:	
15	State general fund	\$ 811,100
16	Healthcare group fund	14,500

17 Sec. 9. DEPARTMENT OF AGRICULTURE

		<u>2012-13</u>
18		
19	FTE positions	161.0
20	Operating lump sum appropriation	\$ 7,577,300
21	Agricultural employment relations	
22	board	23,300
23	Animal damage control	65,000
24	Red imported fire ant	23,200
25	Agricultural consulting and	
26	training pari-mutuel	<u>128,500</u>
27	Total appropriation - department of	
28	agriculture	\$ 7,817,300
29	Fund sources:	
30	State general fund	\$ 7,817,300

31 Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

		<u>2012-13</u>
32		
33	FTE positions	2,217.3
34	Operating lump sum appropriation	\$ 77,880,300
35	DES eligibility	53,661,700
36	Proposition 204 - AHCCCS	
37	administration	6,620,400
38	Proposition 204 - DES eligibility	37,716,400
39	Traditional Medicaid services	3,420,887,100
40	Proposition 204 services	1,166,614,700
41	Children's rehabilitative services	128,599,100
42	KidsCare services	21,622,300
43	ALTCs services	1,177,910,000
44	Disproportionate share payments	13,487,100

1	Disproportionate share payments -	
2	voluntary match	28,457,100
3	Rural hospitals	13,858,100
4	Graduate medical education	90,977,300
5	Total appropriation and expenditure	
6	authority - Arizona health	
7	care cost containment system	<u>\$6,238,291,600</u>
8	Appropriated fund sources:	
9	State general fund	\$1,397,429,800
10	Budget neutrality compliance fund	3,221,100
11	Children's health insurance	
12	program fund	18,123,100
13	Health care group fund	2,260,900
14	Prescription drug rebate	
15	fund - state	69,949,700
16	Tobacco products tax fund -	
17	emergency health services	
18	account	19,222,900
19	Tobacco tax and health care	
20	fund - medically needy account	38,295,800
21	Expenditure authority	4,689,788,300

22 Operating budget

23 The amounts appropriated for the department of economic security  
 24 eligibility line item shall be used for intergovernmental agreements with the  
 25 department of economic security for the purpose of eligibility determination  
 26 and other functions. The general fund share may be used for eligibility  
 27 determination for other programs administered by the division of benefits and  
 28 medical eligibility based on the results of the Arizona random moment  
 29 sampling survey.

30 The amounts included in the proposition 204 - AHCCCS administration,  
 31 proposition 204 - DES eligibility and proposition 204 services special line  
 32 items includes all available sources of funding consistent with section  
 33 36-2901.01, subsection B, Arizona Revised Statutes.

34 Medical services

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

39 The Arizona health care cost containment system administration shall  
 40 report to the joint legislative budget committee by March 1 of each year on  
 41 the preliminary actuarial estimates of the capitation rate changes for the  
 42 following fiscal year along with the reasons for the estimated changes. For  
 43 any actuarial estimates that include a range, the total range from minimum to  
 44 maximum shall be no more than two per cent. Before implementation of any  
 45 changes in capitation rates, the Arizona health care cost containment system

1 administration shall report its expenditure plan for review by the joint  
2 legislative budget committee. Before the administration implements any  
3 changes in policy affecting the amount, sufficiency, duration and scope of  
4 health care services and who may provide services, the administration shall  
5 prepare a fiscal impact analysis on the potential effects of this change on  
6 the following year's capitation rates. If the fiscal analysis demonstrates  
7 that these changes will result in additional state costs of \$500,000 or  
8 greater for a given fiscal year, the administration shall submit the policy  
9 changes for review by the joint legislative budget committee.

10 Any federal funds that the Arizona health care cost containment system  
11 administration passes through to the department of economic security for use  
12 in long-term administration care for the developmentally disabled shall not  
13 count against the long-term care expenditure authority above.

14 The county portion of the fiscal year 2012-2013 nonfederal portion of  
15 the costs of providing long-term care system services is included in the  
16 expenditure authority fund source.

17 The Arizona health care cost containment system administration shall  
18 transfer up to \$1,200,000 from the traditional medicaid services line item  
19 for fiscal year 2012-2013 to the attorney general for costs associated with  
20 tobacco settlement litigation.

21 The nonappropriated portion of the prescription drug rebate fund is  
22 included in the federal portion of the expenditure authority fund source.

23 Payments to hospitals

24 The \$13,487,100 appropriation for disproportionate share payments for  
25 fiscal year 2012-2013 made pursuant to section 36-2903.01, subsection 0,  
26 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county health  
27 care district and \$9,284,800 for private qualifying disproportionate share  
28 hospitals.

29 Any monies for graduate medical education received in fiscal year  
30 2012-2013, including any federal matching monies, by the Arizona health care  
31 cost containment system administration in excess of \$90,977,300 are  
32 appropriated to the administration in fiscal year 2012-2013. Before the  
33 expenditure of these increased monies, the administration shall notify the  
34 joint legislative budget committee and the governor's office of strategic  
35 planning and budgeting of the amount of monies that will be expended under  
36 this provision.

37 Any monies received for disproportionate share payments from political  
38 subdivisions of this state, tribal governments and any university under the  
39 jurisdiction of the Arizona board of regents, and any federal monies used to  
40 match those payments, that are received in fiscal year 2012-2013 by the  
41 Arizona health care cost containment system administration in excess of  
42 \$28,457,100 are appropriated to the administration in fiscal year 2012-2013.  
43 Before the expenditure of these increased monies, the administration shall  
44 notify the joint legislative budget committee and the governor's office of

1 strategic planning and budgeting of the amount of monies that will be  
 2 expended under this provision.

3 Sec. 11. BOARD OF APPRAISAL

4		<u>2012-13</u>
5	FTE positions	5.5
6	Lump sum appropriation	\$ 755,500
7	Fund sources:	
8	Board of appraisal fund	\$ 755,500

9 Sec. 12. BOARD OF ATHLETIC TRAINING

10		<u>2012-13</u>
11	FTE positions	1.5
12	Lump sum appropriation	\$ 101,200
13	Fund sources:	
14	Athletic training fund	\$ 101,200

15 Sec. 13. ATTORNEY GENERAL - DEPARTMENT OF LAW

16		<u>2012-13</u>
17	FTE positions	547.9
18	Operating lump sum appropriation	\$ 45,843,700
19	State grand jury	176,800
20	Victims' rights	3,238,700
21	Risk management interagency	
22	service agreement	<u>8,765,900</u>

23 Total appropriation - attorney general -  
 24 department of law \$ 58,025,100

25	Fund sources:	
26	State general fund	\$ 22,046,500
27	Antitrust enforcement revolving	
28	fund	241,200
29	Attorney general legal services	
30	cost allocation fund	1,997,100
31	Collection enforcement revolving	
32	fund	5,291,900
33	Consumer protection - consumer	
34	fraud revolving fund	3,439,800
35	Interagency service agreements	
36	fund	13,004,000
37	Risk management revolving fund	8,765,900
38	Victims' rights fund	3,238,700

39 The attorney general shall notify the president of the senate, the  
 40 speaker of the house of representatives and the joint legislative budget  
 41 committee before entering into a settlement of \$100,000 or more that will  
 42 result in the receipt of monies by the attorney general or any other person.  
 43 The attorney general shall not allocate or expend these monies until the  
 44 joint legislative budget committee reviews the allocations or expenditures.  
 45 Settlements that pursuant to statute must be deposited in the state general

1 fund need not be reviewed by the joint legislative budget committee. This  
2 paragraph does not apply to actions under title 13, Arizona Revised Statutes,  
3 or other criminal matters.

4 In addition to the \$13,004,000 appropriated from the interagency  
5 service agreements fund in fiscal year 2012-2013, an additional \$800,000 and  
6 11 FTE positions are appropriated from the interagency service agreements  
7 fund in fiscal year 2012-2013 for new or expanded interagency service  
8 agreements. The attorney general shall report to the joint legislative  
9 budget committee whenever an interagency service agreement is established  
10 that will require expenditures from the additional amount. The report shall  
11 include the name of the agency or entity with which the agreement is made,  
12 the dollar amount of the contract by fiscal year and the number of associated  
13 FTE positions.

14 Sec. 14. AUTOMOBILE THEFT AUTHORITY

	<u>2012-13</u>
15 FTE positions	6.0
16 Operating lump sum appropriation	\$ 615,900
17 Automobile theft authority grants	3,607,700
18 Reimbursable programs	<u>50,000</u>
19 Total appropriation - auto theft authority	\$ 4,273,600
20 Fund sources:	
21 Automobile theft authority fund	\$ 4,273,600

22 The automobile theft authority shall submit a report to the joint  
23 legislative budget committee for review before expending any monies for the  
24 reimbursable programs line item. The agency shall also show sufficient funds  
25 collected to cover the expenses indicated in the report.

26 Automobile theft authority grants shall be awarded with consideration  
27 given to areas with greater automobile theft problems and shall be used to  
28 combat economic automobile theft operations.

29 The automobile theft authority shall pay seventy-five per cent of the  
30 personal services and employee related expenses for city and county sworn  
31 officers who participate in the Arizona vehicle theft task force.

32 Sec. 15. BOARD OF BARBERS

	<u>2012-13</u>
34 FTE positions	4.0
35 Lump sum appropriation	\$ 320,700
36 Fund sources:	
37 Board of barbers fund	\$ 320,700

38 Sec. 16. BOARD OF BEHAVIORAL HEALTH EXAMINERS

	<u>2012-13</u>
39 FTE positions	17.0
40 Lump sum appropriation	\$ 1,603,800
41 Fund sources:	
42 Board of behavioral health	
43 examiners fund	\$ 1,603,800

1	Sec. 17. STATE BOARD FOR CHARTER SCHOOLS	
2		<u>2012-13</u>
3	FTE positions	9.0
4	Lump sum appropriation	\$ 750,600
5	Fund sources:	
6	State general fund	\$ 750,600
7	Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS	
8		<u>2012-13</u>
9	FTE positions	5.0
10	Lump sum appropriation	\$ 452,100
11	Fund sources:	
12	Board of chiropractic examiners	
13	fund	\$ 452,100
14	Sec. 19. ARIZONA COMMUNITY COLLEGES	
15		<u>2012-13</u>
16	<u>Equalization aid</u>	
17	Cochise	\$ 5,614,700
18	Graham	16,867,300
19	Navajo	<u>5,370,100</u>
20	Total - equalization aid	\$ 27,852,100
21	<u>Operating state aid</u>	
22	Cochise	\$ 5,784,600
23	Coconino	1,847,900
24	Gila	410,000
25	Graham	2,373,200
26	Maricopa	8,315,700
27	Mohave	1,785,600
28	Navajo	1,689,700
29	Pima	7,353,500
30	Pinal	2,107,800
31	Santa Cruz	63,500
32	Yavapai	957,600
33	Yuma/La Paz	<u>2,802,600</u>
34	Total - operating state aid	\$ 35,491,700
35	Rural county reimbursement subsidy	<u>\$ 848,800</u>
36	Total appropriation - Arizona community	
37	colleges	\$ 64,192,600
38	Fund sources:	
39	State general fund	\$ 64,192,600
40	Of the \$848,800 appropriated to the rural county reimbursement subsidy	
41	line item, Apache county will receive \$466,000 and Greenlee county \$382,800.	

1	Sec. 20. REGISTRAR OF CONTRACTORS	
2		<u>2012-13</u>
3	FTE positions	105.6
4	Operating lump sum appropriation	\$ 10,985,100
5	Office of administrative hearings	
6	costs	<u>1,017,600</u>
7	Total appropriation - registrar of	
8	contractors	\$ 12,002,700
9	Fund sources:	
10	Registrar of contractors fund	\$ 12,002,700
11	Any transfer to or from the amount appropriated for the office of	
12	administrative hearings costs line item shall require review by the joint	
13	legislative budget committee.	
14	Sec. 21. CORPORATION COMMISSION	
15		<u>2012-13</u>
16	FTE positions	297.9
17	Operating lump sum appropriation	\$ 25,046,900
18	Corporation filings, same day	
19	service	400,400
20	Utilities audits, studies,	
21	investigations and hearings	<u>380,000*</u>
22	Total appropriation - corporation commission	\$ 25,827,300
23	Fund sources:	
24	State general fund	\$ 586,400
25	Arizona arts trust fund	49,900
26	Investment management regulatory	
27	and enforcement fund	678,700
28	Public access fund	6,399,600
29	Securities regulatory and	
30	enforcement fund	4,614,100
31	Utility regulation revolving fund	13,498,600
32	The \$400,400 appropriated from the public access fund for the	
33	corporation filings, same day service line item shall revert to the public	
34	access fund at the end of fiscal year 2012-2013 if the commission cannot	
35	process all expedited services within five business days and all regular	
36	services within thirty business days in accordance with sections 10-122,	
37	10-3122 and 29-851, Arizona Revised Statutes.	
38	Sec. 22. STATE DEPARTMENT OF CORRECTIONS	
39		<u>2012-13</u>
40	FTE positions	10,118.2
41	Operating lump sum appropriation	\$ 868,417,100
42	Private prison per diem	<u>127,636,600</u>
43	Total appropriation - state department	
44	of corrections	\$ 996,053,700

1	Fund sources:	
2	State general fund	\$ 951,154,600
3	State education fund for	
4	correctional education	503,500
5	Alcohol abuse treatment fund	554,400
6	Penitentiary land fund	979,200
7	State charitable, penal and	
8	reformatory institutions	
9	land fund	360,000
10	Corrections fund	27,517,600
11	Transition program fund	3,485,000
12	Prison construction and operations	
13	fund	11,499,400

14 Before altering its bed capacity by closing state-operated prison beds  
15 or canceling or not renewing contracts for privately operated prison beds,  
16 the state department of corrections shall submit a bed plan detailing the  
17 proposed bed closures for review by the joint legislative budget committee.

18 Before placing any inmates in out-of-state provisional beds, the  
19 department shall place inmates in all available prison beds in facilities  
20 that are located in this state and that house Arizona inmates, unless the  
21 out-of-state provisional beds are of a comparable security level and price.

22 A monthly report comparing state department of corrections expenditures  
23 for the month and year-to-date as compared to prior year expenditures shall  
24 be forwarded to the president of the senate, the speaker of the house of  
25 representatives, the chairpersons of the senate and house of representatives  
26 appropriations committees and the director of the joint legislative budget  
27 committee by the thirtieth of the following month. The report shall be in  
28 the same format as the prior fiscal year and shall include an estimate of  
29 potential shortfalls, potential surpluses that may be available to offset  
30 these shortfalls and a plan, if necessary, for eliminating any shortfall  
31 without a supplemental appropriation.

32 The appropriation provides for 38,706 ongoing funded beds. The state  
33 department of corrections shall provide a report on bed capacity to the joint  
34 legislative budget committee for its review by August 1 annually. The report  
35 shall reflect the bed capacity for each security classification at each  
36 state-run and private institution, divided by funded, rated and total beds,  
37 for June 30 of the previous fiscal year and June 30 of the current fiscal  
38 year, and the reasons for any change within that time period. Within the  
39 total bed count, the department shall provide the number of temporary and  
40 special use beds.

41 One hundred per cent of land earnings and interest from the  
42 penitentiary land fund shall be distributed to the state department of  
43 corrections in compliance with the enabling act and the Constitution of  
44 Arizona to be used for the support of state penal institutions.

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

6 Before the expenditure of any state education fund for correctional  
7 education receipts in excess of \$503,500, the state department of corrections  
8 shall report the intended use of the monies to the director of the joint  
9 legislative budget committee.

10 Sec. 23. COSMETOLOGY BOARD

	<u>2012-13</u>
FTE positions	24.5
Lump sum appropriation	\$ 1,742,100
Fund sources:	
Board of cosmetology fund	\$ 1,742,100

16 Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2012-13</u>
FTE positions	8.0
Operating lump sum appropriation	\$ 859,400
State aid to county attorneys	973,600
Victim compensation and assistance	<u>3,792,500</u>
Total appropriation - Arizona criminal justice commission	\$ 5,625,500
Fund sources:	
Criminal justice enhancement fund	\$ 624,700
Drug and gang prevention resource center fund	234,700
State aid to county attorneys fund	973,600
Victim compensation and assistance fund	3,792,500

31 All victim compensation and assistance receipts received by the Arizona  
32 criminal justice commission in excess of \$3,792,500 in fiscal year 2012-2013  
33 are appropriated to the crime victims program. Before the expenditure of any  
34 victim compensation and assistance receipts in excess of \$3,792,500 in fiscal  
35 year 2012-2013, the Arizona criminal justice commission shall report the  
36 intended use of the monies to the joint legislative budget committee.

37 All state aid to county attorneys fund receipts received by the Arizona  
38 criminal justice commission in excess of \$973,600 in fiscal year 2012-2013  
39 are appropriated to the state aid to the county attorney program. Before the  
40 expenditure of any state aid to county attorneys fund receipts in excess of  
41 \$973,600, the Arizona criminal justice commission shall report the intended  
42 use of the monies to the joint legislative budget committee.

1	Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND	
2		<u>2012-13</u>
3	FTE positions	541.2
4	Administration/statewide	\$ 3,587,000
5	Phoenix day school for the deaf	8,875,100
6	Tucson campus	14,001,800
7	Regional cooperatives	797,500
8	Preschool/outreach programs	5,412,400
9	School bus replacement	738,000
10	Voucher fund adjustment	<u>614,400</u>
11	Total appropriation - Arizona state schools	
12	for the deaf and the blind	\$ 34,026,200
13	Fund sources:	
14	State general fund	\$ 20,686,300
15	Arizona state schools for the	
16	deaf and the blind fund	13,339,900
17	Before the expenditure of any Arizona state schools for the deaf and	
18	the blind fund monies in excess of \$13,339,900 in fiscal year 2012-2013, the	
19	Arizona state schools for the deaf and the blind shall report to the joint	
20	legislative budget committee the intended use of the funds.	
21	Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING	
22		<u>2012-13</u>
23	FTE positions	15.0
24	Lump sum appropriation	\$ 3,745,700
25	Fund sources:	
26	Telecommunication fund for	
27	the deaf	\$ 3,745,700
28	Sec. 27. STATE BOARD OF DENTAL EXAMINERS	
29		<u>2012-13</u>
30	FTE positions	11.0
31	Lump sum appropriation	\$ 1,183,800
32	Fund sources:	
33	Dental board fund	\$ 1,183,800
34	Sec. 28. DEPARTMENT OF ECONOMIC SECURITY	
35		<u>2012-13</u>
36	FTE positions	5,453.5
37	Operating lump sum appropriation	\$291,385,900
38	<u>Administration</u>	
39	Attorney general legal services	21,338,400
40	<u>Aging and community services</u>	
41	Adult services	6,924,100
42	Community and emergency services	3,724,000
43	Coordinated hunger	1,754,600
44	Coordinated homeless	2,522,600
45	Domestic violence prevention	12,123,700

1	<u>Benefits and medical eligibility</u>	
2	Temporary assistance for needy	
3	families cash benefits	44,999,400
4	Tribal pass-through funding	4,680,300
5	<u>Child support enforcement</u>	
6	County participation	8,600,200
7	<u>Children, youth and families</u>	
8	Adoption services	74,772,000
9	Children support services	68,867,600
10	CPS emergency and residential	
11	placement	22,201,700
12	Foster care placement	21,212,600
13	Independent living maintenance	2,719,300
14	Permanent guardianship subsidy	11,215,300
15	<u>Developmental disabilities</u>	
16	Case management - medicaid	38,071,900
17	Home and community based	
18	services - medicaid	690,196,700
19	Institutional services -	
20	medicaid	19,334,100
21	Medical services	138,936,500
22	Arizona training program at	
23	Coolidge - medicaid	15,601,500
24	Medicare clawback payments	2,848,400
25	Case management - state-only	3,846,000
26	Home and community based	
27	services - state-only	32,615,300
28	State-funded long-term care	
29	services	26,528,100
30	<u>Employment and rehabilitation services</u>	
31	JOBS	13,005,600
32	Day care subsidy	121,396,600
33	Independent living rehabilitation	
34	services	1,289,400
35	Rehabilitation services	3,799,100
36	Workforce investment act	
37	services	<u>51,654,600</u>
38	Total appropriation - department of	
39	economic security	\$1,758,165,500
40	Fund sources:	
41	State general fund	\$ 576,057,500
42	Federal child care and	
43	development fund block grant	130,567,500
44	Federal temporary assistance for	
45	needy families block grant	220,775,800

1	Public assistance collections	
2	fund	423,900
3	Special administration fund	1,129,900
4	Spinal and head injuries trust	
5	fund	1,864,700
6	Statewide cost allocation plan	
7	fund	1,000,000
8	Child abuse prevention fund	1,459,100
9	Children and family services	
10	training program fund	205,300
11	Child support enforcement	
12	administration fund	16,534,900
13	Domestic violence shelter fund	2,220,000
14	Long-term care system fund	74,735,700
15	Workforce investment act grant	56,029,800
16	Child support enforcement	
17	administration fund expenditure	
18	authority	40,320,200
19	Expenditure authority	634,841,200

20     Administration

21     In accordance with section 35-142.01, Arizona Revised Statutes, the  
22 department of economic security shall remit to the department of  
23 administration any monies received as reimbursement from the federal  
24 government or any other source for the operation of the department of  
25 economic security west building and any other building lease-purchased by the  
26 state of Arizona in which the department of economic security occupies space.  
27 The department of administration shall deposit these monies in the state  
28 general fund.

29     Aging and community services

30     All domestic violence shelter fund monies above \$2,220,000 received by  
31 the department of economic security are appropriated for the domestic  
32 violence prevention line item. Before the expenditure of these increased  
33 monies, the department of economic security shall report the intended use of  
34 monies above \$2,220,000 to the joint legislative budget committee.

35     The department of economic security shall report to the joint  
36 legislative budget committee on the amount of state and federal monies  
37 available statewide for domestic violence funding by December 15, 2012. The  
38 report shall include, at a minimum, the amount of monies available and the  
39 state fiscal agent receiving those monies.

40     Benefits and medical eligibility

41     The operating lump sum appropriation may be expended on Arizona health  
42 care cost containment system eligibility determinations based on the results  
43 of the Arizona random moment sampling survey.

1 Of the amount appropriated for temporary assistance for needy families  
2 cash benefits, \$500,000 reflects appropriation authority only to ensure  
3 sufficient cash flow to administer cash benefits for tribes operating their  
4 own welfare programs. The department shall notify the joint legislative  
5 budget committee and the governor's office of strategic planning and  
6 budgeting staff before the use of any of the \$500,000 appropriation  
7 authority.

8 Child support enforcement

9 All state share of retained earnings, fees and federal incentives above  
10 \$16,534,900 received by the division of child support enforcement are  
11 appropriated for operating expenditures. New full-time equivalent positions  
12 may be authorized with the increased funding. Before the expenditure of  
13 these increased monies, the department of economic security shall report the  
14 intended use of the monies to the joint legislative budget committee.

15 Children, youth and families

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

29 The department of economic security shall provide training to any new  
30 child protective services FTE positions before assigning to any of these  
31 employees any client caseload duties.

32 It is the intent of the legislature that the department of economic  
33 security use the funding in the division of children, youth and families to  
34 achieve a one hundred per cent investigation rate.

35 Developmental disabilities

36 The department of economic security shall report all new placements  
37 into a state-owned ICF-MR or the Arizona training program at Coolidge campus  
38 in fiscal year 2012-2013 to the president of the senate, the speaker of the  
39 house of representatives, the chairpersons of the senate and house of  
40 representatives appropriations committees and the director of the joint  
41 legislative budget committee and the reason why this placement, rather than a  
42 placement into a privately run facility for the developmentally disabled, was  
43 deemed as the most appropriate placement. The department shall also report  
44 if no new placements were made. This report shall be made available by July  
45 15, 2013.

1 All monies in the long-term care system fund unexpended and  
2 unencumbered at the end of fiscal year 2012-2013 revert to the state general  
3 fund, subject to approval by the Arizona health care cost containment system  
4 administration.

5 The department shall report to the joint legislative budget committee  
6 by March 1 of each year on preliminary actuarial estimates of the capitation  
7 rate changes for the following fiscal year along with the reasons for the  
8 estimated changes. For any actuarial estimates that include a range, the  
9 total range from minimum to maximum shall be not more than two per cent.  
10 Before implementation of any changes in capitation rates for the long-term  
11 care program, the department shall report for review the expenditure plan to  
12 the joint legislative budget committee. Before the department implements any  
13 changes in policy affecting the amount, sufficiency, duration and scope of  
14 health care services and who may provide services, the department shall  
15 prepare a fiscal impact analysis on the potential effects of this change on  
16 the following year's capitation rates. If the fiscal analysis demonstrates  
17 that these changes will result in additional state costs of \$500,000 or  
18 greater for a given fiscal year, the department shall submit the policy  
19 changes for review by the joint legislative budget committee.

20 Prior to the implementation of any developmentally disabled or  
21 long-term care statewide provider rate adjustments not already specifically  
22 authorized by the legislature, court mandates or changes to federal law, the  
23 department shall submit a report for review by the joint legislative budget  
24 committee. The report shall include, at a minimum, the estimated cost of the  
25 provider rate adjustment and the ongoing source of funding for the  
26 adjustment, if applicable.

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

30 Employment and rehabilitation services

31 Of the \$121,396,600 appropriated for day care subsidy, plus any funding  
32 authorized to be deferred to fiscal year 2013-2014, \$115,199,900 is for a  
33 program in which the upper income limit is no more than one hundred  
34 sixty-five per cent of the federal poverty level.

35 All federal workforce investment act monies that are received by this  
36 state in excess of \$56,029,800 are appropriated to the workforce investment  
37 act services line item. Before the expenditure of these increased monies,  
38 the department of economic security shall report the intended use of monies  
39 above \$56,029,800 to the joint legislative budget committee.

40 Departmentwide

41 The above appropriations are in addition to funds granted to the state  
42 by the federal government for the same purposes but shall be deemed to  
43 include the sums deposited in the state treasury to the credit of the  
44 department of economic security pursuant to section 42-5029, Arizona Revised  
45 Statutes.

1 A monthly report comparing total expenditures for the month and  
2 year-to-date as compared to prior year totals shall be forwarded to the  
3 president of the senate, the speaker of the house of representatives, the  
4 chairpersons of the senate and house of representatives appropriations  
5 committees and the director of the joint legislative budget committee by the  
6 thirtieth of the following month. The report shall include an estimate of  
7 potential shortfalls in entitlement programs and potential federal and other  
8 funds, such as the statewide assessment for indirect costs, and any projected  
9 surplus in state supported programs that may be available to offset these  
10 shortfalls and a plan, if necessary, for eliminating any shortfall without a  
11 supplemental appropriation.

12 Any federal temporary assistance for needy families block grant monies  
13 received in fiscal year 2012-2013, including the beginning balance, by the  
14 department of economic security in excess of \$220,775,800 is appropriated to  
15 the department in fiscal year 2012-2013. For every dollar the department of  
16 economic security receives in federal temporary assistance for needy families  
17 block grant monies in fiscal year 2012-2013 in excess of the \$220,775,800  
18 appropriated, there shall be a corresponding dollar reduction in the  
19 department's long-term care system fund appropriation. On or before June 30,  
20 2013, the department shall notify the joint legislative budget committee and  
21 the governor's office of strategic planning and budgeting of the amount of  
22 long-term care system fund monies, if any, that will not be expended under  
23 this provision.

24 Sec. 29. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

25

	<u>2012-13</u>
26 FTE positions	171.4
27 Operating lump sum appropriation	\$ 7,725,200
28 Fund sources:	
29 State general fund	\$ 7,591,300
30 Teacher certification fund	133,900

31 The operating lump sum appropriation includes \$291,100 and 4 FTE  
32 positions for average daily membership auditing and \$200,000 and 2 FTE  
33 positions for information technology security services.

34

Basic state aid	\$2,169,077,300
35 Fund sources:	
36 State general fund	\$2,122,601,800
37 Permanent state school fund	46,475,500

38 The above appropriation provides basic state support to school  
39 districts for maintenance and operations funding as provided by section  
40 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in  
41 expendable income derived from the permanent state school fund and from state  
42 trust lands pursuant to section 37-521, subsection B, Arizona Revised  
43 Statutes, for fiscal year 2012-2013.

1           The portion of the above appropriation for basic state aid for charter  
2 school additional assistance pursuant to section 15-185, subsection B,  
3 paragraph 4, Arizona Revised Statutes, includes a \$15,656,000 reduction.

4           Receipts derived from the permanent state school fund and any other  
5 nonstate general fund revenue source that is dedicated to fund basic state  
6 aid will be expended, whenever possible, before expenditure of state general  
7 fund monies.

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

18	Additional state aid	\$303,188,200
19	Special education fund	33,242,100
20	Other state aid to districts	983,900
21	Accountability and achievement	
22	testing	10,217,400
23	Fund sources:	
24	State general fund	\$ 3,217,400
25	Proposition 301 fund	7,000,000

26           Before making any changes to the achievement testing program that will  
27 increase program costs, the state board of education shall report the  
28 estimated fiscal impact of those changes to the joint legislative budget  
29 committee.

30	Education learning and	
31	accountability system	6,200,000
32	Fund sources:	
33	State general fund	\$ 5,000,000
34	Education learning and	
35	accountability fund	1,200,000

36           For fiscal year 2012-2013, the state board of education, in  
37 collaboration with the department, shall report quarterly by the last day of  
38 each calendar quarter on its progress in implementing the education learning  
39 and accountability system and other related projects that may be funded  
40 through the education learning and accountability fund to the president of  
41 the senate, the speaker of the house of representatives, the chairpersons of  
42 the senate and house of representatives appropriations committees, the  
43 director of the joint legislative budget committee and the director of the  
44 governor's office of strategic planning and budgeting. The quarterly report

1 shall include an assessment of progress from an independent third party that  
2 is not affiliated with state government.

3 English learner administration \$ 3,958,200

4 The appropriated amount is to be used by the department of education to  
5 provide English language acquisition services for the purposes of section  
6 15-756.07, Arizona Revised Statutes, and for the costs of providing English  
7 language proficiency assessments, scoring and ancillary materials as  
8 prescribed by the department of education to school districts and charter  
9 schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised  
10 Statutes. The department of education may use a portion of the appropriated  
11 amount to hire staff or contract with a third party to carry out the purposes  
12 of section 15-756.07, Arizona Revised Statutes. Notwithstanding section  
13 41-192, Arizona Revised Statutes, the superintendent of public instruction  
14 also may use a portion of the appropriated amount to contract with one or  
15 more private attorneys to provide legal services in connection with the case  
16 of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

17 Arizona structured English immersion  
18 fund 8,791,400

19 The department may use a portion of the appropriated amount to fund a  
20 new English language proficiency assessment.

21 State block grant for vocational  
22 education 11,492,700  
23 K-3 reading 40,000,000

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

29 Innovative education program grants 3,000,000

30 The state board of education shall use the appropriated one-time amount  
31 to fund innovative educational programs in public schools. The state board  
32 of education shall award program funding on a competitive grant basis.  
33 Grants shall be awarded only for use in school districts and charter schools  
34 for innovative education programs that have a proven track record of success  
35 in improving student achievement and on related technology, instructional  
36 delivery and materials. Each grantee shall be required to match its state  
37 grant with an equal or greater amount of private sector funding. Grantees  
38 shall submit a report on program results to the state board of education on  
39 or before October 1, 2013.

40 Teacher certification \$ 1,781,200

41 Fund sources:

42 Teacher certification fund \$ 1,781,200

43 State board of education \$ 1,580,900

1 Fund sources:  
 2 State general fund \$ 1,212,200  
 3 Teacher certification fund 368,700  
 4 The state board of education program may establish its own strategic  
 5 plan separate from that of the department of education and based on its own  
 6 separate mission, goals and performance measures.  
 7 Total appropriation - state board of  
 8 education and superintendent  
 9 of public instruction

10 \$2,601,238,500

11 Fund sources:  
 12 State general fund \$2,544,279,200  
 13 Proposition 301 fund 7,000,000  
 14 Permanent state school fund 46,475,500  
 15 Teacher certification fund 2,283,800  
 16 Education learning and  
 17 accountability fund 1,200,000

18 The department shall provide an updated report on its budget status  
 19 every three months for the first half of each fiscal year and every month  
 20 thereafter to the president of the senate, the speaker of the house of  
 21 representatives, the chairpersons of the senate and house of representatives  
 22 appropriations committees, the director of the joint legislative budget  
 23 committee and the director of the governor's office of strategic planning and  
 24 budgeting. Each report shall include, at a minimum, the department's current  
 25 funding surplus or shortfall projections for basic state aid and other major  
 26 formula-based programs and shall be due thirty days after the end of the  
 27 applicable reporting period.

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

32 Sec. 30. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

33 2012-13  
 34 FTE positions 61.1  
 35 Administration \$ 1,621,300  
 36 Emergency management 837,000  
 37 Military affairs 2,495,400

38 Total appropriation - department of  
 39 emergency and military affairs \$ 4,953,700

40 Fund sources:  
 41 State general fund \$ 4,821,000  
 42 Emergency response fund 132,700

1 The department of emergency and military affairs appropriation includes  
 2 \$1,215,000 for service contracts. This amount is exempt from the provisions  
 3 of section 35-190, Arizona Revised Statutes, relating to lapsing of  
 4 appropriations, except that all fiscal year 2012-2013 monies remaining  
 5 unexpended and unencumbered on October 31, 2013, revert to the state general  
 6 fund.

7 Sec. 31. DEPARTMENT OF ENVIRONMENTAL QUALITY

	<u>2012-13</u>
8 FTE positions	322.0
9 Operating lump sum appropriation	\$ 47,107,200
10 Emissions control contractor	
11 payment	<u>21,119,500</u>
12 Total appropriation - department of	
13 environmental quality	\$ 68,226,700
14 Fund sources:	
15 Air permits administration fund	\$ 7,008,600
16 Air quality fund	5,370,400
17 Emissions inspection fund	28,336,100
18 Hazardous waste management fund	1,712,100
19 Indirect cost recovery fund	12,873,200
20 Recycling fund	1,200,000
21 Solid waste fee fund	1,217,500
22 Underground storage tank	
23 revolving fund	22,000
24 Used oil fund	138,900
25 Water quality fee fund	10,347,900

26 Pursuant to section 49-282, Arizona Revised Statutes, the department of  
 27 environmental quality shall submit a fiscal year 2013-2014 budget for the  
 28 water quality assurance revolving fund before September 1, 2012, for review  
 29 by the senate and house of representatives appropriations committees.

30 The department of environmental quality shall report annually on the  
 31 progress of WQARF activities, including emergency response, priority site  
 32 remediation, cost recovery activity, revenue and expenditure activity and  
 33 other WQARF-funded program activity. This report shall also include a budget  
 34 for the WQARF program that is developed in consultation with the WQARF  
 35 advisory board. The fiscal year 2012-2013 report shall be submitted to the  
 36 joint legislative budget committee by September 1, 2012. This budget shall  
 37 specify the monies budgeted for each listed site during fiscal year  
 38 2012-2013. In addition, the department and the advisory board shall prepare  
 39 and submit to the joint legislative budget committee, by October 2, 2012, a  
 40 report in a table format summarizing the current progress on remediation of  
 41 each listed site on the WQARF registry. The table shall include the stage of  
 42 remediation for each site at the end of fiscal year 2011-2012, whether the  
 43 current stage of remediation is anticipated to be completed in fiscal year  
 44 2012-2013 and the anticipated stage of remediation at each listed site at the  
 45

1 end of fiscal year 2012-2013, assuming fiscal year 2012-2013 funding levels.  
 2 The department and advisory board may include other relevant information  
 3 about the listed sites in the table.

4 All air permit administration revenues received by the department of  
 5 environmental quality in excess of \$7,008,600 in fiscal year 2012-2013 are  
 6 appropriated to the department. Before the expenditure of air permits  
 7 administration receipts in excess of \$7,008,600 in fiscal year 2012-2013, the  
 8 department of environmental quality shall report the intended use of the  
 9 monies to the joint legislative budget committee.

10 All indirect cost recovery fund revenues received by the department of  
 11 environmental quality in excess of \$12,873,200 in fiscal year 2012-2013 are  
 12 appropriated to the department. Before the expenditure of indirect cost  
 13 recovery fund receipts in excess of \$12,873,200 in fiscal year 2012-2013, the  
 14 department of environmental quality shall report the intended use of the  
 15 monies to the joint legislative budget committee.

16 Sec. 32. OFFICE OF EQUAL OPPORTUNITY

		<u>2012-13</u>
17		
18	FTE positions	4.0
19	Lump sum appropriation	\$ 187,900
20	Fund sources:	
21	State general fund	\$ 187,900

22 Sec. 33. STATE BOARD OF EQUALIZATION

		<u>2012-13</u>
23		
24	FTE positions	7.0
25	Lump sum appropriation	\$ 625,800
26	Fund sources:	
27	State general fund	\$ 625,800

28 Sec. 34. BOARD OF EXECUTIVE CLEMENCY

		<u>2012-13</u>
29		
30	FTE positions	14.0
31	Lump sum appropriation	\$ 826,200
32	Fund sources:	
33	State general fund	\$ 826,200

34 Sec. 35. ARIZONA EXPOSITION AND STATE FAIR BOARD

		<u>2012-13</u>
35		
36	FTE positions	184.0
37	Lump sum appropriation	\$ 11,096,200
38	Fund sources:	
39	Arizona exposition and state	
40	fair fund	\$ 11,096,200

41 Sec. 36. DEPARTMENT OF FINANCIAL INSTITUTIONS

		<u>2012-13</u>
42		
43	FTE positions	58.1
44	Lump sum appropriation	\$ 3,849,400

1	Fund sources:	
2	State general fund	\$ 2,927,000
3	Financial services fund	922,400
4	The department of financial institutions shall assess and set fees to	
5	ensure that monies deposited in the state general fund will equal or exceed	
6	its expenditure from the state general fund.	
7	Sec. 37. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY	
8		<u>2012-13</u>
9	FTE positions	47.0
10	Lump sum appropriation	\$ 1,693,300
11	Fund sources:	
12	State general fund	\$ 1,693,300
13	Sec. 38. STATE FORESTER	
14		<u>2012-13</u>
15	FTE positions	52.0
16	Operating lump sum appropriation	\$ 3,281,300
17	Environmental county grants	75,000
18	Inmate fire crews	<u>695,700</u>
19	Total appropriation - state forester	\$ 4,052,000
20	Fund sources:	
21	State general fund	\$ 4,052,000
22	Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
23		<u>2012-13</u>
24	FTE positions	4.0
25	Lump sum appropriation	\$ 339,600
26	Fund sources:	
27	Board of funeral directors and	
28	embalmers fund	\$ 339,600
29	Sec. 40. GAME AND FISH DEPARTMENT	
30		<u>2012-13</u>
31	FTE positions	273.5
32	Operating lump sum appropriation	\$ 33,091,800
33	Pittman - Robertson/Dingell -	
34	Johnson act	3,808,000
35	Performance incentive pay program	346,100*
36	Lower Colorado multispecies	
37	conservation	350,000
38	Watercraft grant program	1,000,000
39	Watercraft safety education program	<u>250,000</u>
40	Total appropriation - game and fish	
41	department	\$ 38,845,900
42	Fund sources:	
43	Capital improvement fund	\$ 1,000,000
44	Game and fish fund	32,980,400

1	Waterfowl conservation fund	43,400
2	Wildlife endowment fund	16,000
3	Watercraft licensing fund	4,471,400
4	Game, nongame, fish and	
5	endangered species fund	334,700

6 In addition to the \$3,808,000 for the Pittman - Robertson/Dingell -  
 7 Johnson act line item, the lump sum appropriation includes \$50,000 for  
 8 cooperative fish and wildlife research, which may be used for the purpose of  
 9 matching federal and apportionment funds.

10 The \$300,000 from the game and fish fund and \$46,100 from the  
 11 watercraft licensing fund in fiscal year 2012-2013 for the performance  
 12 incentive pay program line item shall be used for personal services and  
 13 employee-related expenditures associated with the department's performance  
 14 incentive pay program. This appropriation is a continuing appropriation and  
 15 is exempt from the provisions of section 35-190, Arizona Revised Statutes,  
 16 relating to lapsing of appropriations.

17 Sec. 41. DEPARTMENT OF GAMING

18		<u>2012-13</u>
19	FTE positions	115.3
20	Operating lump sum appropriation	\$ 8,000,000
21	Casino operations certification	1,998,300
22	Problem gambling	<u>2,051,300</u>
23	Total appropriation - department of gaming	\$ 12,049,600
24	Fund sources:	
25	Tribal-state compact fund	\$ 1,998,300
26	Arizona benefits fund	9,751,300
27	State lottery fund	300,000

28 Sec. 42. ARIZONA GEOLOGICAL SURVEY

29		<u>2012-13</u>
30	FTE positions	10.3
31	Lump sum appropriation	\$ 865,100
32	Fund sources:	
33	State general fund	\$ 865,100

34 Sec. 43. OFFICE OF THE GOVERNOR

35		<u>2012-13</u>
36	Lump sum appropriation	\$ 6,601,900*
37	Fund sources:	
38	State general fund	\$ 6,601,900

39 Included in the lump sum appropriation of \$6,601,900 for fiscal year  
 40 2012-2013 is \$10,000 for the purchase of mementos and items for visiting  
 41 officials.

1	Sec. 44. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING	
2		<u>2012-13</u>
3	FTE positions	22.0
4	Lump sum appropriation	\$ 1,874,200*
5	Fund sources:	
6	State general fund	\$ 1,874,200
7	Sec. 45. DEPARTMENT OF HEALTH SERVICES	
8		<u>2012-13</u>
9	FTE positions	1,176.7
10	Operating lump sum appropriation	\$131,983,900
11	<u>Public health/family health</u>	
12	Adult cystic fibrosis	105,200
13	AIDS reporting and surveillance	1,000,000
14	Alzheimer's disease research	1,125,000
15	Breast and cervical cancer and	
16	bone density screening	1,346,700
17	County tuberculosis provider care	
18	and control	590,700
19	Folic acid	400,000
20	High risk perinatal services	2,543,400
21	Newborn screening program	6,248,200
22	Poison control centers funding	990,000
23	Renal and nonrenal disease	
24	management	198,000
25	<u>Behavioral health</u>	
26	Community placement treatment	1,130,700
27	Medicaid behavioral health -	
28	proposition 204	137,526,200
29	Medicaid behavioral health -	
30	traditional	1,081,624,300
31	Medicaid special exemption	
32	payments	24,383,000
33	Medicare clawback payments	13,838,800
34	Non-medicaid seriously	
35	mentally ill services	95,238,000
36	Proposition 204 administration	6,446,700
37	Supported housing	5,324,800
38	Total appropriation and expenditure	
39	authority - department of	
40	health services	<u>\$1,512,043,600</u>
41	Fund sources:	
42	State general fund	\$ 586,731,600
43	Arizona state hospital fund	12,487,100

1	Arizona state hospital land	
2	earnings fund	650,000
3	Capital outlay stabilization fund	1,245,500
4	Child fatality review fund	92,700
5	Emergency medical services	
6	operating fund	5,024,300
7	Environmental laboratory licensure	
8	revolving fund	907,200
9	Federal child care development	
10	fund block grant	827,800
11	Health services licensing fund	7,857,700
12	Hearing and speech professionals	
13	fund	308,100
14	Indirect cost fund	8,829,200
15	Newborn screening program fund	6,680,100
16	Nursing care institution resident	
17	protection revolving fund	438,000
18	Substance abuse services fund	2,250,000
19	Tobacco tax and health care fund -	
20	health research account	1,000,000
21	Tobacco tax and health care fund -	
22	medically needy account	35,167,000
23	Vital records electronic systems	
24	fund	3,586,000
25	Federal medicaid authority	837,961,300

26 Public health/family health

27 The department of health services may use up to four per cent of the  
28 amounts appropriated for renal and nonrenal disease management for the  
29 administrative costs to implement the program.

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

33 Behavioral health

34 It is the intent of the legislature that the per cent attributable to  
35 administration/profit for the regional behavioral health authority in  
36 Maricopa county is nine per cent of the overall capitation rate.

37 The department of health services shall report to the joint legislative  
38 budget committee thirty days after the end of each calendar quarter on the  
39 progress the department is making toward settling the Arnold v. Sarn lawsuit.  
40 The report shall include at a minimum the department's progress towards  
41 meeting the exit criteria and whether the department is in compliance with  
42 the exit criteria schedule.

1 The amounts included in the proposition 204 administration and medicaid  
2 behavioral health - proposition 204 special line items include all available  
3 sources of funding consistent with section 36-2901.01, subsection B, Arizona  
4 Revised Statutes.

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

9 The department shall report to the joint legislative budget committee  
10 by March 1 of each year on preliminary actuarial estimates of the capitation  
11 rate changes for the following fiscal year along with the reasons for the  
12 estimated changes. For any actuarial estimates that include a range, the  
13 total range from minimum to maximum shall be no more than two per cent.  
14 Before implementation of any changes in capitation rates for any behavioral  
15 health line items, the department of health services shall report its  
16 expenditure plan for review by the joint legislative budget committee.  
17 Before the department implements any changes in policy affecting the amount,  
18 sufficiency, duration and scope of health care services and who may provide  
19 services, the department shall prepare a fiscal impact analysis on the  
20 potential effects of this change on the following year's capitation rates.  
21 If the fiscal analysis demonstrates that these changes will result in  
22 additional state costs of \$500,000 or greater for a given fiscal year, the  
23 department shall submit the policy changes for review by the joint  
24 legislative budget committee.

25 Departmentwide

26 A monthly report comparing total expenditures for the month and  
27 year-to-date as compared to prior year totals shall be forwarded  
28 electronically to the president of the senate, the speaker of the house of  
29 representatives, the chairpersons of the senate and house of representatives  
30 appropriations committees and the director of the joint legislative budget  
31 committee by the thirtieth of the following month. The report shall include  
32 an estimate of potential shortfalls in programs, potential federal and other  
33 funds, such as the statewide assessment for indirect costs, that may be  
34 available to offset these shortfalls, and a plan, if necessary, for  
35 eliminating any shortfall without a supplemental appropriation and total  
36 expenditure authority of the month and year-to-date for federally matched  
37 services.

38 Sec. 46. ARIZONA HISTORICAL SOCIETY

39		<u>2012-13</u>
40	FTE positions	51.9
41	Operating lump sum appropriation	\$ 2,031,100
42	Arizona experience museum	441,400

1	Field services and grants	65,000
2	Papago park museum	<u>1,613,600</u>
3	Total appropriation - Arizona historical	
4	society	\$ 4,151,100
5	Fund sources:	
6	State general fund	\$ 4,151,100
7	Sec. 47. PRESCOTT HISTORICAL SOCIETY	
8		<u>2012-13</u>
9	FTE positions	13.0
10	Lump sum appropriation	\$ 652,600
11	Fund sources:	
12	State general fund	\$ 652,600
13	Sec. 48. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS	
14		<u>2012-13</u>
15	FTE positions	1.0
16	Lump sum appropriation	\$ 107,300
17	Fund sources:	
18	Board of homeopathic and	
19	integrated medicine	
20	examiners' fund	\$ 107,300
21	Sec. 49. DEPARTMENT OF HOUSING	
22		<u>2012-13</u>
23	FTE positions	3.0
24	Lump sum appropriation	\$ 297,500
25	Fund sources:	
26	Housing trust fund	\$ 297,500
27	Sec. 50. ARIZONA COMMISSION OF INDIAN AFFAIRS	
28		<u>2012-13</u>
29	FTE positions	3.0
30	Lump sum appropriation	\$ 54,300
31	Fund sources:	
32	State general fund	\$ 54,300
33	Sec. 51. INDUSTRIAL COMMISSION OF ARIZONA	
34		<u>2012-13</u>
35	FTE positions	235.6
36	Lump sum appropriation	\$ 19,550,400
37	Fund sources:	
38	Industrial commission	
39	administrative fund	\$ 19,550,400
40	Sec. 52. DEPARTMENT OF INSURANCE	
41		<u>2012-13</u>
42	FTE positions	90.5
43	Lump sum appropriation	\$ 5,184,200
44	Fund sources:	
45	State general fund	\$ 5,184,200

1 Sec. 53. ARIZONA JUDICIARY  
2  
3 Supreme court  
4 FTE positions 169.0  
5 Operating lump sum appropriation \$ 14,259,700  
6 Automation 11,082,600  
7 Case and cash management system 3,326,500  
8 County reimbursements 187,900  
9 Court appointed special advocate 3,025,800  
10 Domestic relations 640,300  
11 Foster care review board 3,332,000  
12 Commission on judicial conduct 506,800  
13 Judicial nominations and  
14 performance review 417,200  
15 Model court 447,600  
16 State aid 5,904,800  
17 Total appropriation - supreme court \$ 43,131,200  
18 Fund sources:  
19 State general fund \$ 15,915,700  
20 Confidential intermediary and  
21 fiduciary fund 478,800  
22 Court appointed special advocate  
23 fund 2,923,800  
24 Criminal justice enhancement fund 2,960,300  
25 Defensive driving school fund 4,120,200  
26 Judicial collection enhancement  
27 fund 13,787,900  
28 State aid to the courts fund 2,944,500  
29 By September 1, 2012, the supreme court shall report to the joint  
30 legislative budget committee on current and future automation projects  
31 coordinated by the administrative office of the courts. The report shall  
32 include a list of court automation projects receiving or anticipated to  
33 receive state monies in the current or next two fiscal years as well as a  
34 description of each project, the number of FTE positions, the entities  
35 involved and the goals and anticipated results for each automation project.  
36 The report shall be submitted in one summary document. The report shall  
37 indicate each project's total multiyear cost by fund source and budget line  
38 item, including any prior year, current year and future year expenditures.  
39 Included in the appropriation for the supreme court program is \$1,000  
40 for the purchase of mementos and items for visiting officials.  
41 Of the \$187,900 appropriated for county reimbursements, state grand  
42 jury is limited to \$97,900 and capital postconviction relief is limited to  
43 \$90,000.

1	<u>Court of appeals</u>	
2	FTE positions	134.8
3	Division I	\$ 9,591,200
4	Division II	<u>\$ 4,195,100</u>
5	Total appropriation - court of appeals	\$ 13,786,300
6	Fund sources:	
7	State general fund	\$ 13,786,300
8	Of the 134.8 FTE positions for fiscal year 2012-2013, 98.3 FTE	
9	positions are for Division I and 36.5 FTE positions are for Division II.	
10	<u>Superior court</u>	
11	FTE positions	136.5
12	Judges compensation	\$ 7,390,200
13	Adult standard probation	13,521,500
14	Adult intensive probation	10,737,700
15	Community punishment	2,307,900
16	Interstate compact	641,800
17	Drug court	1,013,600
18	Juvenile standard probation	4,598,700
19	Juvenile intensive probation	9,163,000
20	Juvenile treatment services	22,311,400
21	Juvenile family counseling	660,400
22	Juvenile crime reduction	5,123,400
23	Probation surcharge	5,028,900
24	Juvenile diversion consequences	9,024,900
25	Special water master	<u>20,000</u>
26	Total appropriation - superior court	\$ 91,543,400
27	Fund sources:	
28	State general fund	\$ 79,083,200
29	Criminal justice enhancement fund	6,931,300
30	Drug treatment and education fund	500,000
31	Judicial collection enhancement	
32	fund	5,028,900
33	Of the 136.5 FTE positions, 81 FTE positions represent superior court	
34	judges in counties with a population of less than two million persons.	
35	One-half of their salaries are provided by state general fund appropriations	
36	pursuant to section 12-128, Arizona Revised Statutes. This is not meant to	
37	limit the counties' ability to add judges pursuant to section 12-121, Arizona	
38	Revised Statutes.	
39	Up to 4.6 per cent of the amounts appropriated for juvenile treatment	
40	services and juvenile diversion consequences may be retained and expended by	
41	the supreme court to administer the programs established pursuant to section	
42	8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The	
43	remaining portion of the juvenile treatment services and juvenile diversion	
44	consequences appropriations shall be deposited in the juvenile probation	
45	services fund established by section 8-322, Arizona Revised Statutes.	

1           Receipt of state probation monies by the counties is contingent on the  
 2 county maintenance of fiscal year 2003-2004 expenditure levels for each  
 3 probation program. State probation monies are not intended to supplant  
 4 county dollars for probation programs.

5           By November 1, 2012, the administrative office of the courts shall  
 6 report to the joint legislative budget committee the fiscal year 2011-2012  
 7 actual, fiscal year 2012-2013 estimated and fiscal year 2013-2014 requested  
 8 amounts for the following:

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

15           2. Total receipts and expenditures by county and fund source for the  
 16 adult standard, adult intensive, juvenile standard and juvenile intensive  
 17 probation line items, including the amount of personal services expended from  
 18 each revenue source of each account.

19           3. The amount of monies from the adult standard, adult intensive,  
 20 juvenile standard and juvenile intensive probation line items that the office  
 21 does not distribute as direct aid to counties. The report shall delineate  
 22 how the office expends these monies that are not distributed as direct aid to  
 23 counties.

24	Total appropriation - Arizona judiciary	\$148,460,900
25	Fund sources:	
26	State general fund	\$108,785,200
27	Confidential intermediary and	
28	fiduciary fund	478,800
29	Court appointed special advocate	
30	fund	2,923,800
31	Criminal justice enhancement fund	9,891,600
32	Defensive driving school fund	4,120,200
33	Drug treatment and education fund	500,000
34	Judicial collection enhancement	
35	fund	18,816,800
36	State aid to the courts fund	2,944,500
37	Sec. 54. DEPARTMENT OF JUVENILE CORRECTIONS	
38		<u>2012-13</u>
39	FTE positions	738.5
40	Lump sum appropriation	\$ 46,790,000
41	Fund sources:	
42	State general fund	\$ 42,929,800
43	State charitable, penal and	
44	reformatory institutions	
45	land fund	1,098,600

1 Criminal justice enhancement fund 528,400  
 2 State education fund for committed  
 3 youth 2,233,200

4 Twenty-five per cent of land earnings and interest from the state  
 5 charitable, penal and reformatory institutions land fund shall be distributed  
 6 to the department of juvenile corrections, in compliance with section 25 of  
 7 the enabling act and the Constitution of Arizona, to be used for the support  
 8 of state juvenile institutions and reformatories.

9 Sec. 55. STATE LAND DEPARTMENT

10		<u>2012-13</u>
11	FTE positions	125.7
12	Operating lump sum appropriation	\$ 13,718,200
13	Natural resource conservation	
14	districts	650,000
15	CAP user fees	481,200
16	Due diligence fund	<u>500,000</u>
17	Total appropriation - state land department	\$ 15,349,400

18 Fund sources:

19	State general fund	\$ 1,231,800
20	Environmental special plate fund	260,000
21	Due diligence fund	500,000
22	Risk management revolving fund	9,888,400
23	Trust land management fund	3,469,200

24 The appropriation includes \$481,200 for central Arizona project user  
 25 fees in fiscal year 2012-2013. For fiscal year 2012-2013, from  
 26 municipalities that assume their allocation of central Arizona project water  
 27 every dollar received as reimbursement to the state for past central Arizona  
 28 water conservation district payments, one dollar reverts to the state general  
 29 fund in the year that the reimbursement is collected.

30 Of the amount appropriated for natural resource conservation districts  
 31 in fiscal year 2012-2013, \$30,000 shall be used to provide grants to natural  
 32 resource conservation districts environmental education centers.

33 If the land department's use of state trust land proceeds, which would  
 34 otherwise be deposited into a beneficiary's permanent fund, is found to be  
 35 constitutional, the department's appropriation from the risk management  
 36 revolving fund is reduced and the appropriation from the trust land  
 37 management fund is increased by an amount equal to the fund balance plus any  
 38 revenues for the remainder of the fiscal year, not to exceed the amount of  
 39 the department's risk management revolving fund appropriation.

40 Sec. 56. LAW ENFORCEMENT MERIT SYSTEM COUNCIL

41		<u>2012-13</u>
42	FTE positions	1.0
43	Lump sum appropriation	\$ 70,200
44	Fund sources:	
45	State general fund	\$ 70,200

1	Sec. 57. LEGISLATURE	
2		<u>2012-13</u>
3	<u>Senate</u>	
4	Lump sum appropriation	\$ 7,985,200*
5	Fund sources:	
6	State general fund	\$ 7,985,200
7	Included in the lump sum appropriation of \$7,985,200 for fiscal year	
8	2012-2013 is \$1,000 for the purchase of mementos and items for visiting	
9	officials.	
10	<u>House of representatives</u>	
11	Lump sum appropriation	\$ 12,993,700*
12	Fund sources:	
13	State general fund	\$ 12,993,700
14	Included in the lump sum appropriation of \$12,993,700 for fiscal year	
15	2012-2013 is \$1,000 for the purchase of mementos and items for visiting	
16	officials.	
17	<u>Legislative council</u>	
18	FTE positions	42.8
19	Operating lump sum appropriation	\$ 7,327,100
20	Ombudsman-citizens aide office	<u>527,000</u>
21	Total appropriation - legislative	
22	council	\$ 7,854,100*
23	Fund sources:	
24	State general fund	\$ 7,854,100
25	Dues for the council of state governments shall be expended only on an	
26	affirmative vote of the legislative council.	
27	<u>Joint legislative budget committee</u>	
28	FTE positions	29.0
29	Lump sum appropriation	\$ 2,399,900*
30	Fund sources:	
31	State general fund	\$ 2,399,900
32	<u>Auditor general</u>	
33	FTE positions	184.8
34	Lump sum appropriation	\$ 17,156,000*
35	Fund sources:	
36	State general fund	\$ 17,156,000
37	Sec. 58. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
38		<u>2012-13</u>
39	FTE positions	45.2
40	Lump sum appropriation	\$ 2,815,600
41	Fund sources:	
42	Liquor licenses fund	\$ 2,815,600

1 Sec. 59. ARIZONA STATE LOTTERY COMMISSION

2		<u>2012-13</u>
3	FTE positions	97.8
4	Operating lump sum appropriation	\$ 8,126,300
5	Advertising	<u>15,500,000</u>
6	Total appropriation - Arizona state	
7	lottery commission	\$ 23,626,300
8	Fund source:	
9	State lottery fund	\$ 23,626,300

10 An amount equal to 3.6 per cent of actual instant ticket sales is  
 11 appropriated for the printing of instant tickets or for contractual  
 12 obligations concerning instant ticket distribution. This amount is currently  
 13 estimated to be \$14,359,800 in fiscal year 2012-2013.

14 An amount equal to a percentage of actual online game sales as  
 15 determined by contract is appropriated for payment of online vendor fees.  
 16 This amount is currently estimated to be \$7,988,100, or 3.7 per cent of  
 17 actual online ticket sales in fiscal year 2012-2013.

18 An amount equal to 6.5 per cent of gross lottery game sales, less tab  
 19 tickets, is appropriated for payment of sales commissions to ticket  
 20 retailers. An additional amount not to exceed 0.5 per cent of gross lottery  
 21 game sales is appropriated for payment of sales commissions to ticket  
 22 retailers. The combined amount is currently estimated to be 6.7 per cent of  
 23 total ticket sales, or \$41,000,000 in fiscal year 2012-2013.

24 An amount equal to twenty per cent of tab ticket sales is appropriated  
 25 for payment of sales commissions to charitable organizations. This amount is  
 26 currently estimated to be \$576,500 in fiscal year 2012-2013.

27 Sec. 60. ARIZONA MEDICAL BOARD

28		<u>2012-13</u>
29	FTE positions	58.5
30	Lump sum appropriation	\$ 5,799,200
31	Fund sources:	
32	Arizona medical board fund	\$ 5,799,200

33 The Arizona medical board may use up to seven per cent of the Arizona  
 34 medical board fund balance remaining at the end of each fiscal year for a  
 35 performance based incentive program the following fiscal year based on the  
 36 program established by section 38-618, Arizona Revised Statutes.

37 Sec. 61. STATE MINE INSPECTOR

38		<u>2012-13</u>
39	FTE positions	14.0
40	Operating lump sum appropriation	\$ 997,500
41	Abandoned mines safety fund deposit	188,300
42	Aggregate mined land reclamation	<u>112,500</u>
43	Total appropriation - state mine inspector	\$ 1,298,300

1 Fund sources:  
2 State general fund \$ 1,185,800  
3 Aggregate mining reclamation fund 112,500  
4 All aggregate mining reclamation fund receipts received by the state  
5 mine inspector in excess of \$112,500 in fiscal year 2012-2013 are  
6 appropriated to the aggregate mined land reclamation line item. Before the  
7 expenditure of any aggregate mining reclamation fund receipts in excess of  
8 \$112,500 in fiscal year 2012-2013, the state mine inspector shall report the  
9 intended use of the monies to the joint legislative budget committee.

10 Sec. 62. NATUROPATHIC PHYSICIANS MEDICAL BOARD

11 2012-13  
12 FTE positions 7.0  
13 Lump sum appropriation \$ 586,000

14 Fund sources:  
15 Naturopathic physicians medical  
16 board fund \$ 586,000

17 Sec. 63. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

18 2012-13  
19 FTE positions 2.0  
20 Lump sum appropriation \$ 126,900

21 Fund sources:  
22 State general fund \$ 126,900

23 Sec. 64. ARIZONA STATE BOARD OF NURSING

24 2012-13  
25 FTE positions 40.2  
26 Lump sum appropriation \$ 4,034,300

27 Fund sources:  
28 Board of nursing fund \$ 4,034,300

29 Sec. 65. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND  
30 ASSISTED LIVING FACILITY MANAGERS

31 2012-13  
32 FTE positions 6.0  
33 Lump sum appropriation \$ 426,000

34 Fund sources:  
35 Nursing care institution  
36 administrators' licensing and  
37 assisted living facility  
38 managers' certification fund \$ 426,000

39 Sec. 66. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

40 2012-13  
41 FTE positions 1.5  
42 Lump sum appropriation \$ 161,600

43 Fund sources:  
44 Occupational therapy fund \$ 161,600

1	Sec. 67. STATE BOARD OF DISPENSING OPTICIANS		
2			<u>2012-13</u>
3	FTE positions		1.0
4	Lump sum appropriation	\$	131,100
5	Fund sources:		
6	Board of dispensing opticians fund	\$	131,100
7	Sec. 68. STATE BOARD OF OPTOMETRY		
8			<u>2012-13</u>
9	FTE positions		2.0
10	Lump sum appropriation	\$	197,300
11	Fund sources:		
12	Board of optometry fund	\$	197,300
13	Sec. 69. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
14			<u>2012-13</u>
15	FTE positions		6.7
16	Lump sum appropriation	\$	698,300
17	Fund sources:		
18	Board of osteopathic examiners fund	\$	698,300
19	Sec. 70. ARIZONA STATE PARKS BOARD		
20			<u>2012-13</u>
21	FTE positions		163.0
22	Operating lump sum appropriation	\$	10,026,700
23	Kartchner caverns state park		<u>2,180,300</u>
24	Total appropriation - Arizona state parks		
25	board	\$	12,207,000
26	Fund sources:		
27	State parks enhancement fund	\$	11,707,000
28	Reservation surcharge revolving		
29	fund		500,000

30 All operating expenditures include \$26,000 from the state parks  
31 enhancement fund for Fool Hollow state park revenue sharing. If receipts to  
32 Fool Hollow exceed \$260,000 in fiscal year 2012-2013, an additional ten per  
33 cent of this increase of Fool Hollow receipts is appropriated from the state  
34 parks enhancement fund to meet the revenue sharing agreement with the city of  
35 Show Low and the United States forest service.

36 All reservation surcharge revolving fund receipts received by the  
37 Arizona state parks board in excess of \$500,000 in fiscal year 2012-2013 are  
38 appropriated to the reservation surcharge revolving fund. Before the  
39 expenditure of any reservation surcharge revolving fund monies in excess of  
40 \$500,000 in fiscal year 2012-2013, the Arizona state parks board shall report  
41 the intended use of the monies to the joint legislative budget committee.

1 During fiscal year 2012-2013, no more than \$5,000 from appropriated or  
 2 nonappropriated monies may be used for the purposes of out-of-state travel  
 3 expenses by state parks board staff. No appropriated or nonappropriated  
 4 monies may be used for out-of-country travel expenses. The state parks board  
 5 shall submit by June 30, 2013, a report to the joint legislative budget  
 6 committee on out-of-state travel activities and expenditures for that fiscal  
 7 year.

8	Sec. 71. STATE PERSONNEL BOARD	
9		<u>2012-13</u>
10	FTE positions	3.0
11	Lump sum appropriation	\$ 365,200
12	Fund sources:	
13	Personnel division fund -	
14	personnel board account	\$ 365,200
15	Sec. 72. OFFICE OF PEST MANAGEMENT	
16		<u>2012-13</u>
17	FTE positions	30.0
18	Lump sum appropriation	\$ 2,000,000
19	Fund sources:	
20	Pest management fund	\$ 2,000,000
21	Sec. 73. ARIZONA STATE BOARD OF PHARMACY	
22		<u>2012-13</u>
23	FTE positions	18.0
24	Lump sum appropriation	\$ 1,918,100
25	Fund sources:	
26	Arizona state board of pharmacy	
27	fund	\$ 1,918,100
28	Sec. 74. BOARD OF PHYSICAL THERAPY	
29		<u>2012-13</u>
30	FTE positions	3.8
31	Lump sum appropriation	\$ 364,100
32	Fund sources:	
33	Board of physical therapy fund	\$ 364,100
34	Sec. 75. ARIZONA PIONEERS' HOME	
35		<u>2012-13</u>
36	FTE positions	106.3
37	Operating lump sum appropriation	\$ 5,957,800
38	Prescription drugs	<u>240,000</u>
39	Total appropriation - pioneers' home	\$ 6,197,800
40	Fund sources:	
41	State general fund	\$ 1,603,600
42	Miners' hospital fund	1,500,000
43	State charitable fund	3,094,200

1 Earnings on state lands and interest on the investment of the permanent  
 2 land funds are appropriated for the pioneers' home and the hospital for  
 3 disabled miners in compliance with the enabling act and the Constitution of  
 4 Arizona.

5 Sec. 76. STATE BOARD OF PODIATRY EXAMINERS

6		<u>2012-13</u>
7	FTE positions	1.0
8	Lump sum appropriation	\$ 142,600
9	Fund sources:	
10	Podiatry fund	\$ 142,600

11 Sec. 77. COMMISSION FOR POSTSECONDARY EDUCATION

12		<u>2012-13</u>
13	FTE positions	5.0
14	Operating lump sum appropriation	\$ 240,900
15	Leveraging educational assistance	
16	partnership (LEAP)	2,319,500
17	Family college savings program	148,600
18	Arizona college and career guide	21,200
19	Math and science teacher	
20	initiative	176,000
21	Arizona minority educational	
22	policy analysis center	99,900
23	Twelve plus partnership	<u>130,500</u>
24	Total appropriation - commission for	
25	postsecondary education	\$ 3,136,600
26	Fund sources:	
27	State general fund	\$ 1,396,800
28	Postsecondary education fund	1,739,800

29 Each participating institution, public or private, in order to be  
 30 eligible to receive state matching funds under the leveraging educational  
 31 assistance partnership for grants to students, shall provide an amount of  
 32 institutional matching funds that equals the amount of funds provided by the  
 33 state to the institution for the leveraging educational assistance  
 34 partnership. Administrative expenses incurred by the commission for  
 35 postsecondary education shall be paid from institutional matching funds and  
 36 shall not exceed twelve per cent of the funds in fiscal year 2012-2013.

37 Any unencumbered balance remaining in the postsecondary education fund  
 38 on June 30, 2012, and all grant monies and other revenues received by the  
 39 commission for postsecondary education, when paid into the state treasury,  
 40 are appropriated for the explicit purposes designated by line items and for  
 41 additional responsibilities prescribed in sections 15-1851 and 15-1852,  
 42 Arizona Revised Statutes.

1 The appropriations for Arizona college and career guide, Arizona  
 2 minority educational policy analysis center and twelve plus partnership are  
 3 estimates representing all monies distributed to this fund, including balance  
 4 forward, revenue and transfers, during fiscal year 2012-2013. The  
 5 appropriations shall be adjusted as necessary to reflect actual final  
 6 receipts credited to the postsecondary education fund.

7 Sec. 78. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

8			<u>2012-13</u>
9	FTE positions		4.0
10	Lump sum appropriation	\$	326,600
11	Fund sources:		
12	Board for private postsecondary		
13	education fund	\$	326,600

14 Sec. 79. STATE BOARD OF PSYCHOLOGIST EXAMINERS

15			<u>2012-13</u>
16	FTE positions		4.0
17	Lump sum appropriation	\$	344,000
18	Fund sources:		
19	Board of psychologist examiners		
20	fund	\$	344,000

21 Sec. 80. DEPARTMENT OF PUBLIC SAFETY

22			<u>2012-13</u>
23	FTE positions		1,903.7
24	Operating lump sum appropriation	\$	198,099,300
25	GIITEM		21,301,400
26	GIITEM subaccount		2,390,000
27	Motor vehicle fuel		3,935,500
28	Public safety equipment		<u>2,390,000</u>

29 Total appropriation - department of public  
 30 safety \$228,116,200

31	Fund sources:		
32	State general fund	\$	45,526,200
33	Highway user revenue fund		119,961,000
34	State highway fund		6,780,000
35	Arizona highway patrol fund		19,249,300
36	Criminal justice enhancement fund		2,859,300
37	Safety enforcement and transportation		
38	infrastructure fund		1,509,100
39	Crime laboratory assessment fund		868,000
40	Crime laboratory operations fund		14,653,300
41	Arizona deoxyribonucleic acid		
42	identification system fund		5,452,200
43	Automated fingerprint identification		
44	system fund		3,008,600

1	Gang and immigration intelligence	
2	team enforcement mission border	
3	security and law enforcement	
4	subaccount	2,390,000
5	Motorcycle safety fund	205,000
6	Risk management fund	1,446,300
7	Parity compensation fund	1,817,900
8	Public safety equipment fund	2,390,000

9 Of the \$21,301,400 appropriated to GIITEM, \$9,327,000 shall be used for  
 10 one hundred department of public safety GIITEM personnel. The additional  
 11 staff shall include at least fifty sworn department of public safety  
 12 positions to be used for immigration enforcement and border security and  
 13 fifty department of public safety positions to assist GIITEM in various  
 14 efforts, including: 1) strict enforcement of all federal law relating to  
 15 illegal aliens and arresting illegal aliens, 2) responding to or assisting  
 16 any county sheriff or attorney in investigating complaints of employment of  
 17 illegal aliens, 3) enforcing Arizona's law known as the Legal Arizona Workers  
 18 Act, strict enforcement of Arizona's SB 1070 Arizona's "Support Our Law  
 19 Enforcement and Safe Neighborhoods Act", investigating crimes of identity  
 20 theft in the context of hiring illegal aliens and the unlawful entry into the  
 21 country and 4) taking strict enforcement action. Any change in the GIITEM  
 22 mission or allocation of monies must be approved by the joint legislative  
 23 budget committee. The department shall submit an expenditure plan to the  
 24 joint legislative budget committee for review before expending any monies not  
 25 identified in the department's previous expenditure plans.

26 Of the \$21,301,400 appropriated to GIITEM, only \$2,603,400 shall be  
 27 deposited in the GIITEM fund established by section 41-1724, Arizona Revised  
 28 Statutes, and is appropriated for the purposes of that section. The  
 29 \$2,603,400 is exempt from the provisions of section 35-190, Arizona Revised  
 30 Statutes, relating to the lapsing of appropriations. This state recognizes  
 31 that states have inherent authority to arrest a person for any immigration  
 32 violation.

33 Any monies remaining in the department of public safety joint account  
 34 on June 30, 2013 shall revert to the funds from which they were appropriated.  
 35 The reverted monies shall be returned in direct proportion to the amounts  
 36 appropriated.

37 Sec. 81. ARIZONA DEPARTMENT OF RACING

38		<u>2012-13</u>
39	FTE positions	40.5
40	Operating lump sum appropriation	\$ 2,816,400
41	Arizona breeders' award	250,000
42	County fairs livestock and	
43	agricultural promotion	<u>1,779,500</u>
44	Total appropriation - department of	
45	racing	\$ 4,845,900

1	Fund sources:	
2	State general fund	\$ 2,029,500
3	Racing regulation fund	2,816,400
4	The amount appropriated to the county fairs livestock and agricultural	
5	promotion line item is for deposit in the county fairs livestock and	
6	agricultural promotion fund administered by the office of the governor.	
7	Sec. 82. RADIATION REGULATORY AGENCY	
8		<u>2012-13</u>
9	FTE positions	29.0
10	Lump sum appropriation	\$ 1,568,600
11	Fund sources:	
12	State general fund	\$ 743,000
13	State radiologic technologist	
14	certification fund	264,600
15	Radiation regulatory fee fund	561,000
16	Sec. 83. STATE REAL ESTATE DEPARTMENT	
17		<u>2012-13</u>
18	FTE positions	59.0
19	Lump sum appropriation	\$ 2,917,300
20	Fund sources:	
21	State general fund	\$ 2,917,300
22	Sec. 84. RESIDENTIAL UTILITY CONSUMER OFFICE	
23		<u>2012-13</u>
24	FTE positions	11.0
25	Operating lump sum appropriation	\$ 1,144,000
26	Professional witnesses	<u>145,000*</u>
27	Total appropriation - residential utility	
28	consumer office	\$ 1,289,000
29	Fund sources:	
30	Residential utility consumer	
31	office revolving fund	\$ 1,289,000
32	Sec. 85. BOARD OF RESPIRATORY CARE EXAMINERS	
33		<u>2012-13</u>
34	FTE positions	4.0
35	Lump sum appropriation	\$ 257,200
36	Fund sources:	
37	Board of respiratory care	
38	examiners fund	\$ 257,200
39	Sec. 86. STATE RETIREMENT SYSTEM	
40		<u>2012-13</u>
41	FTE positions	233.9
42	Lump sum appropriation	\$ 23,723,500

1	Fund sources:	
2	State retirement system	
3	administration account	\$ 20,923,500
4	Long-term disability	
5	administration account	2,800,000
6	Sec. 87. DEPARTMENT OF REVENUE	
7		<u>2012-13</u>
8	FTE positions	860.3
9	Operating lump sum appropriation	\$ 58,126,200
10	BRITS operational support	7,433,200
11	Temporary collectors	2,873,200
12	Unclaimed property administration	
13	and audit	<u>1,770,000</u>
14	Total appropriation - department of revenue	\$ 70,202,600

15	Fund sources:	
16	State general fund	\$ 44,129,600
17	DOR administrative fund	24,333,800
18	Liability setoff fund	1,073,800
19	Tobacco tax and health care fund	665,400

20 The \$2,873,200 appropriated from the state general fund for temporary  
 21 collectors is to collect established debt. The department shall report its  
 22 results to the joint legislative budget committee on or before January 31,  
 23 2013.

24 If twelve and one-half per cent of the total dollar value of properties  
 25 recovered by unclaimed property contract auditors exceeds \$1,770,000, the  
 26 excess amount shall be transferred from the state general fund to the DOR  
 27 administrative fund and appropriated to the department for contract auditor  
 28 fees.

29 The department shall report the department's general fund revenue  
 30 enforcement goals for fiscal year 2012-2013 to the joint legislative budget  
 31 committee by July 31, 2012. The department shall provide an annual progress  
 32 report to the joint legislative budget committee as to the effectiveness of  
 33 the department's overall enforcement and collections program for fiscal year  
 34 2012-2013 by July 31, 2013. The reports shall include a comparison of  
 35 projected and actual general fund revenue enforcement collections for fiscal  
 36 year 2012-2013.

37	Sec. 88. SCHOOL FACILITIES BOARD	
38		<u>2012-13</u>
39	FTE positions	17.0
40	Operating lump sum appropriation	\$ 1,613,600
41	New school facilities debt service	169,429,700
42	Building renewal grants	<u>2,667,900</u>
43	Total appropriation - school facilities	
44	board	\$173,711,200

1 Fund sources:  
2 State general fund \$173,711,200  
3 Pursuant to section 35-142.01, Arizona Revised Statutes, any  
4 reimbursement received by or allocated to the school facilities board under  
5 the federal qualified school construction bond program in fiscal year  
6 2012-2013 shall be deposited in or revert to the state general fund.  
7 Sec. 89. DEPARTMENT OF STATE - SECRETARY OF STATE

	<u>2012-13</u>
8 FTE positions	139.1
9 Operating lump sum appropriation	\$ 8,607,600
10 Election services	4,437,200
11 Help America vote act	2,934,200
12 Library grants-in-aid	651,400*
13 Statewide radio reading service	
14 for the blind	<u>97,000</u>
15 Total appropriation - secretary of state	\$ 16,727,400

16 Fund sources:  
17 State general fund \$ 13,224,400  
18 Election systems improvement fund 2,934,200  
19 Record services fund 568,800

20  
21 The secretary of state shall report to the joint legislative budget  
22 committee and the governor's office of strategic planning and budgeting by  
23 December 31, 2012 the actual amount and purpose of expenditures from the  
24 election systems improvement fund in fiscal year 2011-2012 and the expected  
25 amount and purpose of expenditures from the fund for fiscal year 2012-2013.

26 Any transfer to or from the amount appropriated for the election  
27 services line item shall require review by the joint legislative budget  
28 committee.

29 The fiscal year 2012-2013 appropriation from the election systems  
30 improvement fund for HAVA is available for use pursuant to section 35-143.01,  
31 subsection C, Arizona Revised Statutes, and is exempt from the provisions of  
32 section 35-190, Arizona Revised Statutes, relating to lapsing of  
33 appropriations, until June 30, 2014.

34 Included in the operating lump sum appropriation of \$8,607,600 for  
35 fiscal year 2012-2013 is \$5,000 for the purchase of mementos and items for  
36 visiting officials.

37 Sec. 90. STATE BOARDS' OFFICE

	<u>2012-13</u>
38 FTE positions	3.0
39 Lump sum appropriation	\$ 211,600
40 Fund sources:	
41 Special services revolving fund	\$ 211,600

1	Sec. 91. STATE BOARD OF TAX APPEALS	
2		<u>2012-13</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 253,400
5	Fund sources:	
6	State general fund	\$ 253,400
7	Sec. 92. BOARD OF TECHNICAL REGISTRATION	
8		<u>2012-13</u>
9	FTE positions	23.0
10	Lump sum appropriation	\$ 1,834,900
11	Fund sources:	
12	Technical registration fund	\$ 1,834,900
13	Sec. 93. OFFICE OF TOURISM	
14		<u>2012-13</u>
15	FTE positions	25.0
16	Lump sum appropriation	\$ 7,000,000
17	Fund sources:	
18	State general fund	\$ 7,000,000
19	Sec. 94. DEPARTMENT OF TRANSPORTATION	
20		<u>2012-13</u>
21	FTE positions	4,548.0
22	Operating lump sum appropriation	\$201,429,500
23	Attorney general legal services	2,895,600
24	Highway maintenance	126,555,600
25	Vehicles and heavy equipment	26,591,700
26	Fraud investigation	753,900
27	New third party funding	<u>940,100</u>
28	Total appropriation - Arizona department	
29	of transportation	\$359,166,400
30	Fund sources:	
31	State general fund	\$ 50,200
32	Air quality fund	72,200
33	Driving under the influence	
34	abatement fund	146,900
35	Highway user revenue fund	624,800
36	Motor vehicle liability	
37	insurance enforcement fund	1,052,600
38	Safety enforcement and	
39	transportation infrastructure	
40	fund	1,866,000
41	State aviation fund	1,577,800
42	State highway fund	325,749,800

1	Transportation department	
2	equipment fund	26,591,700
3	Vehicle inspection and title	
4	enforcement fund	1,434,400

5 It is the intent of the legislature that the department not include any  
6 administrative overhead expenditures in duplicate drivers' license fees  
7 charged to the public.

8 Of the total amount appropriated, \$126,555,600 in fiscal year 2012-2013  
9 for highway maintenance is exempt from the provisions of section 35-190,  
10 Arizona Revised Statutes, relating to lapsing of appropriations, except that  
11 all unexpended and unencumbered monies of the appropriation revert to their  
12 fund of origin, either the state highway fund or the safety enforcement and  
13 transportation infrastructure fund, on August 31, 2013.

14 The department of transportation shall submit an annual report to the  
15 joint legislative budget committee on progress in improving motor vehicle  
16 division wait times and vehicle registration renewal by mail turnaround times  
17 in a format similar to prior years. The report is due on July 31, 2013 for  
18 fiscal year 2012-2013.

19 Of the \$359,166,400 appropriation to the department of transportation,  
20 the department of transportation shall pay \$16,773,800 in fiscal year  
21 2012-2013 from all funds to the department of administration for its risk  
22 management payment.

23 Sec. 95. STATE TREASURER

24		<u>2012-13</u>
25	FTE positions	30.4
26	Operating lump sum appropriation	\$ 2,690,900
27	Justice of the peace salaries	1,115,100
28	Law enforcement/boating safety	
29	fund grants	<u>2,183,800</u>
30	Total appropriation - state treasurer	\$ 5,989,800
31	Fund sources:	
32	State general fund	\$ 1,115,100
33	Law enforcement and boating	
34	safety fund	2,183,800
35	State treasurer's operating fund	2,493,500
36	State treasurer's management fund	197,400

37 Sec. 96. ARIZONA BOARD OF REGENTS

38		<u>2012-13</u>
39	FTE positions	25.9
40	Operating lump sum appropriation	\$ 2,350,300
41	Arizona teachers incentive program	90,000
42	Arizona transfer articulation	
43	support system	213,700

1	Student financial assistance	10,041,200
2	Western interstate commission	
3	office	125,000
4	Course redesign technology	
5	and capital	15,273,700
6	Performance funding	5,000,000
7	WICHE student subsidies	<u>4,106,000</u>
8	Total appropriation - Arizona board of	
9	regents	\$ 37,199,900
10	Fund sources:	
11	State general fund	\$ 37,199,900

12 The course redesign technology and capital appropriation shall become  
13 available for use by Arizona state university and Northern Arizona university  
14 after the Arizona board of regents approves an expenditure plan. The Arizona  
15 board of regents shall review the expenditure plan before October 1, 2012.  
16 The monies must be used for innovative course redesign technologies and  
17 capital improvements that will maintain or improve learning outcomes and  
18 decrease per student costs for large enrollment or high failure rate classes.  
19 Of this amount, \$11,971,100 shall be distributed to the Arizona state  
20 university campuses and \$3,302,600 shall be distributed to Northern Arizona  
21 university. The Arizona board of regents shall notify the joint legislative  
22 budget committee staff of the amounts allocated to each Arizona state  
23 university campus. It is the intent of the legislature that these monies be  
24 budgeted to the individual campuses beginning in fiscal year 2013-2014. It  
25 is the intent of the legislature to appropriate funding to Arizona state  
26 university and Northern Arizona university in fiscal year 2013-2014 through  
27 fiscal year 2016-2017 with the goal of achieving per student funding parity  
28 between the universities under the jurisdiction of the Arizona board of  
29 regents at the beginning of fiscal year 2016-2017.

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

39 Within ten days of the acceptance of the universities' semiannual all  
40 funds budget reports, the Arizona board of regents shall submit an  
41 expenditure plan for review to the joint legislative budget committee. The  
42 expenditure plan shall include any tuition revenue amounts that are greater  
43 than the appropriated amounts and all retained tuition and fee revenue  
44 expenditures for the current fiscal year. The additional revenue expenditure  
45 plan shall provide as much detail as the university budget requests.

1 Sec. 97. ARIZONA STATE UNIVERSITY - TEMPE AND DOWNTOWN PHOENIX CAMPUSES

2		<u>2012-13</u>
3	FTE positions	6,097.9
4	Operating lump sum appropriation	\$524,500,400
5	Biomedical informatics	1,955,200
6	Downtown Phoenix campus	<u>98,952,200</u>
7	Total appropriation - Arizona state	
8	university - Tempe and downtown	
9	Phoenix campuses	\$625,407,800
10	Fund sources:	
11	State general fund	\$157,397,500
12	University collections fund	468,010,300

13 It is the intent of the legislature that the general fund base funding  
 14 for Arizona state university - Tempe and downtown Phoenix campuses is  
 15 \$232,157,900. This appropriation includes a deferral of \$74,760,400 from  
 16 fiscal year 2012-2013 to fiscal year 2013-2014. This deferral shall be paid  
 17 as required in section 131 of this act.

18 The state general fund appropriations shall not be used for alumni  
 19 association funding.

20 The appropriated monies shall not be used for scholarships or any  
 21 student newspaper.

22 Any unencumbered balances remaining in the collections account on June  
 23 30, 2012 and all collections received by the university during the fiscal  
 24 year, when paid into the state treasury, are appropriated for operating  
 25 expenditures, capital outlay and fixed charges. Earnings on state lands and  
 26 interest on the investment of the permanent land funds are appropriated in  
 27 compliance with the enabling act and the Constitution of Arizona. No part of  
 28 this appropriation may be expended for supplemental life insurance or  
 29 supplemental retirement. Receipts from summer session, when deposited in the  
 30 state treasury, together with any unencumbered balance in the summer session  
 31 account, are appropriated for the purpose of conducting summer sessions but  
 32 are excluded from the amounts enumerated above.

33 The appropriated monies shall not be used by the Arizona state  
 34 university college of law legal clinic for any lawsuits involving inmates of  
 35 the state department of corrections in which the state is the adverse party.

36 Sec. 98. ARIZONA STATE UNIVERSITY - EAST CAMPUS

37		<u>2012-13</u>
38	FTE positions	416.6
39	Operating lump sum appropriation	\$ 50,178,100
40	TRIF lease-purchase payment	<u>2,000,000</u>
41	Total appropriation - Arizona state	
42	university - East campus	\$ 52,178,100

1 Fund sources:  
2 State general fund \$ 12,253,300  
3 University collections fund 37,924,800  
4 Technology and research initiative  
5 fund 2,000,000

6 It is the intent of the legislature that the general fund base funding  
7 for Arizona state university - East campus is \$18,003,500. This  
8 appropriation includes a deferral of \$5,750,200 from fiscal year 2012-2013 to  
9 fiscal year 2013-2014. This deferral shall be paid as required in section  
10 131 of this act.

11 The state general fund appropriations shall not be used for alumni  
12 association funding.

13 The appropriated monies shall not be used for scholarships or any  
14 student newspaper.

15 Any unencumbered balances remaining in the collections account on June  
16 30, 2012 and all collections received by the university during the fiscal  
17 year, when paid into the state treasury, are appropriated for operating  
18 expenditures, capital outlay and fixed charges. Earnings on state lands and  
19 interest on the investment of the permanent land funds are appropriated in  
20 compliance with the enabling act and the Constitution of Arizona. No part of  
21 this appropriation may be expended for supplemental life insurance or  
22 supplemental retirement. Receipts from summer session, when deposited in the  
23 state treasury, together with any unencumbered balance in the summer session  
24 account, are appropriated for the purpose of conducting summer sessions but  
25 are excluded from the amounts enumerated above.

26 Sec. 99. ARIZONA STATE UNIVERSITY - WEST CAMPUS

27 2012-13  
28 FTE positions 562.9  
29 Operating lump sum appropriation \$ 54,153,900  
30 TRIF lease-purchase payment 1,600,000  
31 Total appropriation - Arizona state  
32 university - West campus \$ 55,753,900

33 Fund sources:  
34 State general fund \$ 22,823,100  
35 University collections fund 31,330,800  
36 Technology and research initiative  
37 fund 1,600,000

38 It is the intent of the legislature that the general fund base funding  
39 for Arizona state university - West campus is \$32,887,900. This  
40 appropriation includes a deferral of \$10,064,800 from fiscal year 2012-2013  
41 to fiscal year 2013-2014. This deferral shall be paid as required in section  
42 131 of this act.

43 The state general fund appropriations shall not be used for alumni  
44 association funding.



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

5 Sec. 101. UNIVERSITY OF ARIZONA

	<u>2012-13</u>
6	
7	<u>Main campus</u>
8	FTE positions 5,365.0
9	Operating lump sum appropriation \$331,102,900
10	Agriculture 36,954,900
11	Arizona cooperative extension 12,460,400
12	Sierra Vista campus <u>6,139,300</u>
13	Total - Main campus \$386,657,500
14	Fund sources:
15	State general fund \$130,253,500
16	University collections fund 256,404,000
17	<u>Health sciences center</u>
18	FTE positions 979.1
19	Operating lump sum appropriation \$ 54,760,900
20	Clinical rural rotation 357,600
21	Clinical teaching support 8,097,000
22	Liver research institute 458,500
23	Phoenix medical campus 20,821,900
24	Telemedicine network <u>1,847,900</u>
25	Total - health sciences center \$ 86,343,800
26	Fund sources:
27	State general fund \$ 44,557,600
28	University collections fund 41,786,200
29	Total appropriation - university of
30	Arizona <u>\$473,001,300</u>
31	Fund sources:
32	State general fund \$174,811,100
33	University collections fund 298,190,200

34 It is the intent of the legislature that the general fund base funding  
 35 for university of Arizona - main campus is \$192,406,600. This appropriation  
 36 includes a deferral of \$62,153,100 from fiscal year 2012-2013 to fiscal year  
 37 2013-2014. This deferral shall be paid as required in section 131 of this  
 38 act.

39 It is the intent of the legislature that the general fund base funding  
 40 for university of Arizona - health sciences center is \$61,334,300. This  
 41 appropriation includes a deferral of \$16,776,700 from fiscal year 2012-2013  
 42 to fiscal year 2013-2014. This deferral shall be paid as required in section  
 43 131 of this act.

1 The state general fund appropriations shall not be used for alumni  
 2 association funding.

3 The appropriated monies shall not be used for scholarships or any  
 4 student newspaper.

5 Any unencumbered balances remaining in the collections account on June  
 6 30, 2012 and all collections received by the university during the fiscal  
 7 year, when paid into the state treasury, are appropriated for operating  
 8 expenditures, capital outlay and fixed charges. Earnings on state lands and  
 9 interest on the investment of the permanent land funds are appropriated in  
 10 compliance with the enabling act and the Constitution of Arizona. No part of  
 11 this appropriation may be expended for supplemental life insurance or  
 12 supplemental retirement. Receipts from summer session, when deposited in the  
 13 state treasury, together with any unencumbered balance in the summer session  
 14 account, are appropriated for the purpose of conducting summer sessions but  
 15 are excluded from the amounts enumerated above.

16 Sec. 102. DEPARTMENT OF VETERANS' SERVICES

17		<u>2012-13</u>
18	FTE positions	500.3
19	Operating lump sum appropriation	\$ 2,977,900
20	Arizona state veterans' homes	27,574,700
21	Southern Arizona cemetery	274,800
22	Veterans' benefit counseling	<u>2,826,700</u>
23	Total appropriation - department of	
24	veterans' services	\$ 33,654,100
25	Fund sources:	
26	State general fund	\$ 5,197,100
27	State home for veterans' trust	
28	fund	27,574,700
29	State veterans' conservatorship	
30	fund	882,300

31 Sec. 103. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

32		<u>2012-13</u>
33	FTE positions	5.5
34	Lump sum appropriation	\$ 455,300
35	Fund sources:	
36	Veterinary medical examining	
37	board fund	\$ 455,300

38 Sec. 104. DEPARTMENT OF WATER RESOURCES

39		<u>2012-13</u>
40	FTE positions	90.0
41	Operating lump sum appropriation	\$ 7,443,400
42	Adjudication support	1,212,900
43	Assured and adequate water supply	
44	administration	1,771,100

1	Rural water studies	1,139,600
2	Conservation and drought program	395,700
3	Automated groundwater monitoring	<u>401,100</u>
4	Total appropriation - department of water	
5	resources	\$ 12,363,800
6	Fund sources:	
7	State general fund	\$ 11,998,300
8	Water resources fund	100,200
9	Assured and adequate water	
10	supply administration fund	265,300

11 Monies in the assured and adequate water supply administration line  
 12 item shall be used only for the exclusive purposes prescribed in sections  
 13 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department  
 14 of water resources shall not transfer any funds into or out of the assured  
 15 and adequate water supply administration line item.

16 It is the intent of the legislature that monies in the rural water  
 17 studies line item will be spent only to assess local water use needs and to  
 18 develop plans for sustainable future water supplies in rural areas outside  
 19 the state's AMAs and not be made available for other department operating  
 20 expenditures.

21 Monies in the adjudication support line item shall be used only for the  
 22 exclusive purposes prescribed in section 45-256 and section 45-257,  
 23 subsection B, paragraph 4, Arizona Revised Statutes. The department of water  
 24 resources shall not transfer any funds into or out of the adjudication  
 25 support line item.

26 Sec. 105. DEPARTMENT OF WEIGHTS AND MEASURES

27		<u>2012-13</u>
28	FTE positions	36.4
29	General services	\$ 1,787,500
30	Vapor recovery	633,700
31	Oxygenated fuel	<u>780,200</u>
32	Total appropriation - department	
33	of weights and measures	\$ 3,201,400
34	Fund sources:	
35	State general fund	\$ 1,470,000
36	Air quality fund	1,413,900
37	Motor vehicle liability insurance	
38	enforcement fund	317,500

39 Fiscal Year 2011-2012 Appropriation Adjustments

40 Sec. 106. Department of administration; state personnel system;  
 41 conditional supplemental appropriation; 2011-2012;  
 42 conditional appropriation; 2012-2013

43 A. In addition to any other appropriations made in fiscal year  
 44 2011-2012, the sum of \$154,000 is appropriated from the personnel division  
 45 fund in fiscal year 2011-2012 to the department of administration for

1 operating costs, only if House Bill 2571, fiftieth legislature, second  
2 regular session, relating to the state personnel system, becomes law.

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

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

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

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

20 Sec. 108. AHCCCS; supplemental appropriation; fiscal year  
21 2011-2012

22 In addition to any other appropriations made in fiscal year 2011-2012,  
23 the following sums from the following sources are appropriated to the Arizona  
24 health care cost containment system administration for traditional medicaid  
25 services in fiscal year 2011-2012:

- 26 1. \$51,500,000 from the prescription drug rebate fund.
- 27 2. \$112,600,700 from the state general fund.
- 28 3. \$372,544,100 in federal medicaid expenditure authority.

29 Sec. 109. AHCCCS; transfer; fiscal year 2011-2012; tobacco  
30 settlement litigation

31 The Arizona health care cost containment system administration shall  
32 transfer up to \$1,364,300 from the traditional medicaid services line item  
33 for fiscal year 2011-2012 to the attorney general for costs associated with  
34 tobacco settlement litigation.

35 Sec. 110. Corporation commission; supplemental appropriation;  
36 reduction; transfer; 2011-2012

37 A. In addition to any other appropriations made in fiscal year  
38 2011-2012 to the corporation commission, the sum of \$75,000 is appropriated  
39 from the state general fund in fiscal year 2011-2012 to the corporation  
40 commission for operating expenses.

41 B. In addition to any other appropriation reductions made in fiscal  
42 year 2011-2012, notwithstanding any other law, the appropriation to the  
43 corporation commission is reduced by \$50,000 from the public access fund and  
44 \$25,000 from the securities regulatory and enforcement fund in fiscal year  
45 2011-2012.

1 C. Notwithstanding any other law, on or before June 30, 2012, the  
2 corporation commission shall transfer \$50,000 from the public access fund and  
3 \$25,000 from the securities regulatory and enforcement fund to the state  
4 general fund.

5 Sec. 111. Department of economic security; reductions;  
6 2011-2012

7 In addition to any other appropriation reductions made in fiscal year  
8 2011-2012, the sum of \$12,300,000 is reduced from the department of economic  
9 security's appropriation from the state general fund for home and community  
10 based services - medicaid.

11 Sec. 112. Department of health services; supplemental  
12 appropriation; 2011-2012

13 In addition to any other appropriations made in fiscal year 2011-2012,  
14 the following sums from the following sources are appropriated to the  
15 department of health services for medicaid capitation payments in fiscal year  
16 2011-2012:

- 17 1. \$12,300,000 from the state general fund.
- 18 2. \$33,900,000 from the prescription drug rebate fund.
- 19 3. \$93,535,400 in federal medicaid expenditure authority.

20 Sec. 113. Department of health services; state hospital;  
21 supplemental appropriation; 2011-2012

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

26 Sec. 114. Department of health services; behavioral health  
27 services; fiscal year 2011-2012; state match

28 For fiscal year 2011-2012, the department of health services may use  
29 monies in the IGA and ISA fund as the state medicaid match for behavioral  
30 health services. Before using the monies, the department shall report to the  
31 director of the joint legislative budget committee the proposed amount of the  
32 IGA and ISA fund monies to be used for the match, the source of those monies,  
33 including reconciliation payments and penalties, and the total amount of  
34 reconciliation payments and penalties in the fund.

35 Sec. 115. School facilities board; supplemental appropriation;  
36 2011-2012

37 In addition to any other appropriation made in fiscal year 2011-2012,  
38 the sum of \$11,500,000 is appropriated from the state general fund in fiscal  
39 year 2011-2012 to the building renewal grant fund established by section  
40 15-2032, Arizona Revised Statutes, for the purpose of maintaining the  
41 adequacy of existing school facilities.

42 Sec. 116. Appropriations; budget stabilization fund; fiscal  
43 years 2011-2012 and 2012-2013

44 The sum of \$250,000,000 in fiscal year 2011-2012 and the sum of  
45 \$200,000,000 in fiscal year 2012-2013 are appropriated from the state general

1 fund to the budget stabilization fund established by section 35-144, Arizona  
2 Revised Statutes.

3 Sec. 117. Secretary of state; 2011-2012 appropriation;  
4 exemption

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

9 Sec. 118. Appropriation; reimbursement of additional county  
10 expenses

11 A. The sum of \$1,900,000 is appropriated from the state general fund  
12 to the secretary of state in fiscal year 2011-2012 for the purpose of  
13 reimbursing counties for election expenditures pursuant to this section.  
14 This appropriation is exempt from the provisions of section 35-190, Arizona  
15 Revised Statutes, relating to lapsing of appropriations, except that any  
16 monies remaining unspent on June 30, 2013 shall revert to the state general  
17 fund.

18 B. The secretary of state shall reimburse counties for the additional  
19 cost of printing ballots and other election materials for the special primary  
20 election and special general election for United States representative for  
21 the eighth congressional district in Arizona and shall reimburse counties for  
22 compensation paid to election board and tally board officers serving during  
23 the special elections, as well as other costs of administering the elections  
24 that are in addition to and greater than the expenses to be reimbursed as  
25 prescribed in section 16-250, Arizona Revised Statutes. The secretary of  
26 state may advance a portion of estimated expenses to each county. A county  
27 that receives an advance shall provide subsequent documentation to the  
28 secretary of state pursuant to subsection C of this section.

29 C. The clerk of the board of supervisors of each county shall submit  
30 to the secretary of state for approval an itemized claim, together with  
31 documentation, verified by the clerk for expenses incurred or to be incurred  
32 by the county as prescribed by subsection B of this section. On approval of  
33 the claim by the secretary of state, the claim shall be submitted to the  
34 department of administration for payment to the county from the monies  
35 appropriated for this purpose in subsection A of this section.

36 Fiscal Year 2012-2013 Appropriations

37 Sec. 119. Appropriation; purpose; exemption; conditional  
38 enactment; secretary of interior; notice

39 A. The sum of \$2,000,000 is appropriated from the state general fund  
40 in fiscal year 2012-2013 to the department of administration to comply with  
41 this state's obligation relating to the settlement of the White Mountain  
42 Apache Tribe's water rights claims pursuant to the White Mountain Apache  
43 Tribe Water Rights Quantification Act of 2010 (P.L. 111-291; 124 Stat. 3064).

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

4 C. This section is effective on receipt of notice by the executive  
5 director of the Arizona legislative council from the department of water  
6 resources that the secretary of the United States department of interior has  
7 issued a record of decision approving the construction of the White Mountain  
8 Apache Tribe rural water system as provided in section 309(d)(1)(E) of the  
9 White Mountain Apache Tribe Water Rights Quantification Act of 2010  
10 (P.L. 111-291, title III; 124 Stat. 3064, 3073).

11 Sec. 120. Arizona commerce authority; allocation

12 In accordance with section 43-409, Arizona Revised Statutes,  
13 \$31,500,000 of state general fund withholding tax revenue is allocated in  
14 fiscal year 2012-2013 to the Arizona commerce authority, of which \$10,000,000  
15 shall be credited to the Arizona commerce authority fund established by  
16 section 41-1506, Arizona Revised Statutes, and \$21,500,000 shall be credited  
17 to the Arizona competes fund established by section 41-1545.01, Arizona  
18 Revised Statutes.

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

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

- 26 1. Be located in a county with a population of less than five hundred  
27 thousand persons.
- 28 2. Be licensed to operate twenty-five or fewer beds.
- 29 3. Not be designated as a critical access hospital, as of January 1,  
30 2012, pursuant to 42 Code of Federal Regulations part 485, subpart F.
- 31 4. Be located within twenty-five miles of a hospital operated by the  
32 Indian health service.

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

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

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



1    medicaid reconciliation payments and penalties received by that date since  
2    July 1, 2012. On June 30, 2013, the administration and department shall  
3    report the same information for all of fiscal year 2012-2013.

4    Fund Balance Transfers

5        Sec. 127. Fund balance transfers: fiscal years 2012-2013 and  
6        2013-2014

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

- 11        1. Arizona department of administration:  
12            Special employee health insurance trust fund - \$30,000,000
- 13        2. Department of environmental quality:  
14            Emissions inspection fund - \$10,000,000
- 15        3. Judiciary - supreme court:  
16            State aid to courts fund - \$50,000  
17            Alternative dispute resolution fund - \$200,000  
18            Arizona lengthy trial fund - \$100,000  
19            Public defender training fund - \$25,000
- 20        4. Judiciary - superior court:  
21            Judicial collection enhancement fund - \$400,000  
22            Criminal justice enhancement fund - \$75,000  
23            Drug treatment and education fund - \$150,000  
24            Juvenile probation services fund - \$5,000,000

25        B. Notwithstanding any other law, on or before June 30, 2013, the sum  
26       of \$2,500,000 shall be transferred from the corrections fund established by  
27       section 41-1641, Arizona Revised Statutes, to the department of corrections  
28       building renewal fund established by section 41-797, Arizona Revised  
29       Statutes, in fiscal year 2012-2013 for the purposes of providing adequate  
30       support and maintenance for the department of corrections.

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

- 35        1. Judiciary - supreme court:  
36            State aid to courts fund - \$50,000  
37            Alternative dispute resolution fund - \$200,000  
38            Arizona lengthy trial fund - \$100,000  
39            Public defender training fund - \$25,000
- 40        2. Judiciary - superior court:  
41            Judicial collection enhancement fund - \$400,000  
42            Criminal justice enhancement fund - \$75,000  
43            Drug treatment and education fund - \$150,000  
44            Juvenile probation services fund - \$5,000,000

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

4 Sec. 128. Fund transfer; mortgage settlement; fiscal year  
5 2012-2013; intent

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

11 B. It is the intent of the legislature that the monies deposited into  
12 the state general fund pursuant to subsection A of this section be used in  
13 current state general fund efforts in areas covered by the National Mortgage  
14 Settlement, including agencies such as the state real estate department,  
15 department of insurance and attorney general - department of law, and for  
16 other areas impacted by the alleged unlawful conduct of the defendants in the  
17 National Mortgage Settlement.

18 Payment Deferrals

19 Sec. 129. Department of economic security; payment deferral;  
20 appropriation

21 A. In addition to any other appropriation reductions made in fiscal  
22 year 2012-2013, notwithstanding any other law, the department of economic  
23 security shall defer \$35,000,000 in payments for services provided in May and  
24 June 2013 until after July 1, 2013.

25 B. In addition to any other appropriations made in fiscal year  
26 2013-2014, the sum of \$35,000,000 is appropriated from the state general fund  
27 in fiscal year 2013-2014 to the department of economic security for the  
28 purpose of paying bills for services provided in May and June, 2013.

29 C. Of the amounts deferred in subsection A of this section, payments  
30 to child care providers shall not be deferred.

31 D. Of the amounts deferred in subsection A of this section, May  
32 payments to providers of developmentally disabled services shall not be  
33 deferred.

34 Sec. 130. Reduction in school district state aid apportionment  
35 in fiscal year 2012-2013; appropriations in fiscal  
36 year 2013-2014

37 A. In addition to any other appropriation reductions made in fiscal  
38 year 2012-2013, notwithstanding any other law, the state board of education  
39 shall defer until after July 1, 2013 but no later than August 29, 2013  
40 \$952,627,700 of the basic state aid and additional state aid payment that  
41 otherwise would be apportioned to school districts during fiscal year  
42 2012-2013 pursuant to section 15-973, Arizona Revised Statutes. The funding  
43 deferral required by this subsection does not apply to charter schools.

1 B. In addition to any other appropriations made in fiscal year  
 2 2013-2014, the sum of \$952,627,700 is appropriated from the state general  
 3 fund in fiscal year 2013-2014 to the state board of education and the  
 4 superintendent of public instruction for basic state aid and additional state  
 5 aid entitlement for fiscal year 2013-2014. This appropriation shall be  
 6 disbursed after July 1, 2013 but no later than August 29, 2013 to the several  
 7 counties for the school districts in each county in amounts equal to the  
 8 reductions in apportionment of basic state aid and additional state aid that  
 9 are required pursuant to subsection A of this section for fiscal year  
 10 2012-2013.

11 C. School districts shall include in the revenue estimates that they  
 12 use for computing their tax rates for fiscal year 2012-2013 the monies that  
 13 they will receive pursuant to subsection B of this section.

14 Sec. 131. Arizona board of regents; deferral; support and  
 15 maintenance; appropriation in fiscal year 2013-2014

16 A. In addition to any other appropriation reductions made in fiscal  
 17 year 2012-2013, the Arizona board of regents shall defer until after July 1,  
 18 2013, the sum of \$200,000,000, which is allocated to the universities in the  
 19 individual campus appropriations.

20 B. In addition to any other amounts appropriated to the Arizona board  
 21 of regents for fiscal year 2013-2014, the sum of \$200,000,000 is appropriated  
 22 from the state general fund to the Arizona board of regents to be distributed  
 23 for the support and maintenance of institutions under its jurisdiction for  
 24 payments deferred from fiscal year 2012-2013. The department of  
 25 administration shall distribute these monies to the board no later than  
 26 October 1, 2013.

27 Statewide Adjustments

28 Sec. 132. Appropriation; operating adjustments

	<u>2012-2013</u>
29 State lease-purchase and rental rate	
30 adjustments	\$ 1,499,600
31 Fund sources:	
32 Other appropriated funds	\$ 1,499,600
33 Retirement rate adjustments	8,057,100
34 Fund sources:	
35 State general fund	6,602,900
36 Other appropriated funds	1,454,200
37 Department of law pro rata adjustments	(3,987,800)
38 Fund sources:	
39 State general fund	(3,987,800)
40 Annual retirement contribution rate	
41 adjustments	11,196,500
42	

1	Fund sources:	
2	State general fund	9,202,800
3	Other appropriated funds	1,993,700
4	Health insurance premium holiday	
5	adjustments	(25,000,000)
6	Fund sources:	
7	State general fund	(25,000,000)

8 The other appropriated funds may be allocated from any funds listed in  
9 this act.

10 State lease-purchase and rental rate adjustments

11 The amount appropriated for state lease-purchase adjustments shall be  
12 for fiscal year 2012-2013 adjustments in agency or department lease-purchase  
13 and rental rate charges in agencies. These adjustments eliminate the  
14 payments for lease-purchase transactions completed in fiscal year 2011-2012,  
15 provide state rental rate payments for the completed lease-purchase  
16 transactions and reduce the usable square foot rental rate for state-owned  
17 space as prescribed in the fiscal year 2012-2013 budget procedures budget  
18 reconciliation bill, among other adjustments. The adjustments will generate  
19 \$252,000 in net state general fund savings, which the joint legislative  
20 budget committee staff shall allocate to the department of administration for  
21 building renewal in fiscal year 2012-2013. The joint legislative budget  
22 committee staff shall determine and the department of administration shall  
23 allocate to each agency or department an amount for the contribution  
24 adjustment. These adjustments may include reallocation of state general fund  
25 appropriations between state agency units. The joint legislative budget  
26 committee staff shall also determine and the department of administration  
27 shall allocate adjustments, as necessary, in expenditure authority to allow  
28 implementation of state lease-purchase and rental rate adjustments. It is  
29 the intent of the legislature that the auditor general not be charged rent  
30 for its state-owned space at 2910 N. 44<sup>th</sup> Street beginning in fiscal year  
31 2013-2014 if this space continues to be maintained by the department of  
32 administration and the space still qualifies for the department of  
33 administration's building renewal monies. It is the intent of the  
34 legislature that the department of health services pay no more than \$908,900  
35 in rent to the department of administration for the department of health  
36 services' state-owned space in fiscal year 2012-2013.

37 Retirement rate adjustment

38 The amount appropriated for retirement rate adjustments shall be for  
39 fiscal year 2012-2013 adjustments in agency or department retirement  
40 contribution rate increases due to changes in the proportion of the  
41 retirement rate paid by the employer in the Arizona state retirement system  
42 and to reimburse employees for retirement contributions made in excess of  
43 fifty per cent of the total retirement contribution in fiscal year 2012-2013.  
44 The joint legislative budget committee staff shall determine and the  
45 department of administration shall allocate to each agency or department an

1 amount for the contribution adjustment. The joint legislative budget  
2 committee staff shall also determine and the department of administration  
3 shall allocate adjustments, as necessary, in expenditure authority to allow  
4 the implementation of retirement rate adjustments.

5 Department of law pro rata adjustment

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

11 Annual retirement contribution rate adjustments

12 The amount appropriated for annual contribution rate adjustments shall  
13 be for fiscal year 2012-2013 adjustments in agency or department contribution  
14 rates, excluding universities and the judicial branch, due to the annual  
15 contribution rate change process. The joint legislative budget committee  
16 staff shall determine and the department of administration shall allocate to  
17 each agency or department an amount for the annual contribution rate  
18 adjustment. The joint legislative budget committee staff shall also  
19 determine and the department of administration shall allocate adjustments, as  
20 necessary, in expenditure authority to allow the implementation of retirement  
21 rate adjustments.

22 Health insurance premium holiday

23 The amount appropriated for health insurance premium holiday  
24 adjustments shall be for fiscal year 2012-2013 adjustments in agency or  
25 department insurance premiums due to the one-time health insurance premium  
26 holiday required by this act. The joint legislative budget committee staff  
27 shall determine and the department of administration shall allocate to each  
28 agency or department an amount for the health insurance premium holiday  
29 adjustment. The joint legislative budget committee staff shall also  
30 determine and the department of administration shall allocate adjustments, as  
31 necessary, in expenditure authority to allow the implementation of health  
32 insurance premium holiday adjustments.

33 Sec. 133. Retention payments; appropriation; fiscal year  
34 2012-2013

35 A. From and after September 28, 2012, the sums of \$16,633,400 from the  
36 state general fund and \$11,695,200 from other appropriated funds are  
37 appropriated in fiscal year 2012-2013 to state agency units for personal  
38 services and employee-related expenditures related to the one-time critical  
39 retention payments authorized in subsection B of this section. The joint  
40 legislative budget committee staff shall determine and the department of  
41 administration shall allocate to each agency or department an amount  
42 available for the payments. The joint legislative budget committee staff  
43 shall also determine and the department of administration shall allocate  
44 adjustments, as necessary, in expenditure authority to allow implementation  
45 of the payments.

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

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

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

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

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

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

20	1. Department of administration	\$127,700
21	2. Office of administrative hearings	\$ 3,000
22	3. Arizona arts commission	\$ 3,100
23	4. Automobile theft authority	\$ 1,400
24	5. Citizens clean elections commission	\$ 2,700
25	6. State department of corrections	\$ 2,000
26	7. Arizona criminal justice commission	\$ 8,700
27	8. Arizona state schools for the deaf	
28	and the blind	\$100,200
29	9. Commission for the deaf and hard of hearing	\$ 4,100
30	10. Arizona early childhood development and	
31	health board	\$ 47,100
32	11. Department of education	\$132,000
33	12. Department of emergency and military affairs	\$115,300
34	13. Department of environmental quality	\$135,600
35	14. Office of equal opportunity	\$ 100
36	15. Arizona exposition and state fair board	\$ 20,900
37	16. Department of financial institutions	\$ 1,900
38	17. Department of fire, building and life safety	\$ 2,500
39	18. State forester	\$ 12,100
40	19. Department of gaming	\$ 35,000
41	20. Arizona geological survey	\$ 6,800
42	21. Department of health services	\$170,000
43	22. Arizona historical society	\$ 700
44	23. Arizona department of housing	\$ 18,100
45	24. Department of insurance	\$ 10,500

1	25. Department of juvenile corrections	\$ 9,400
2	26. State land department	\$ 2,100
3	27. Department of liquor licenses and control	\$ 11,400
4	28. Arizona state lottery commission	\$ 24,800
5	29. State mine inspector	\$ 1,200
6	30. Arizona state parks board	\$ 45,800
7	31. State personnel board	\$ 600
8	32. Arizona pioneers' home	\$ 12,100
9	33. Commission for postsecondary education	\$ 1,800
10	34. Department of public safety	\$677,400
11	35. Arizona department of racing	\$ 2,300
12	36. Radiation regulatory agency	\$ 3,800
13	37. Arizona state retirement system	\$ 69,100
14	38. Department of revenue	\$ 4,900
15	39. School facilities board	\$ 2,400
16	40. Department of state - secretary of state	\$ 1,800
17	41. Office of tourism	\$ 8,100
18	42. State treasurer	\$ 9,200
19	43. Department of veterans' services	\$ 52,700
20	44. Department of weights and measures	\$ 4,200

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

24 Sec. 135. State employee health insurance premium holiday;  
25 report

26 For the purpose of instituting a one-time insurance premium holiday,  
27 the department of administration shall not collect premiums for the  
28 self-insured state employee health insurance program for sufficient pay  
29 periods during fiscal year 2012-2013 to generate \$25,000,000 of state general  
30 fund savings. The department may determine which pay periods will not have a  
31 premium charged. This premium holiday applies to all premiums, including  
32 employer, employee and retiree contributions. For entities that pay premiums  
33 on a basis other than biweekly, the department shall calculate an equivalent  
34 decrease in premiums and reduce their premium collection by that amount. On  
35 or before September 1, 2012, the department shall report to the joint  
36 legislative budget committee on its plans for implementing the premium  
37 holiday.

38 Sec. 136. Allocation of funds

39 For the purposes of allocating the appropriations made by Laws 2011,  
40 chapter 24, section 137, the appropriations may be allocated from the  
41 following funds, in addition to the funds listed in the appropriation:  
42 drug and gang prevention resource center fund, children and family services  
43 training program fund, Arizona state hospital fund, aggregate mining  
44 reclamation fund, radiation regulatory fee fund, state treasurer's management  
45 fund, water resources fund and capital improvement fund.

1 Other Provisions

2 Sec. 137. Legislative intent; expenditure reporting

3 It is the intent of the legislature that all departments, agencies or  
4 budget units receiving appropriations under the terms of this act shall  
5 continue to report actual, estimated and requested expenditures by budget  
6 programs and budget classes in a format that is similar to the budget  
7 programs and budget classes used for budgetary purposes in prior years. A  
8 different format may be used if deemed necessary to implement section 35-113,  
9 Arizona Revised Statutes, agreed to by the director of the joint legislative  
10 budget committee and incorporated into the budget preparation instructions  
11 adopted by the governor's office of strategic planning and budgeting pursuant  
12 to section 35-112, Arizona Revised Statutes.

13 Sec. 138. FTE positions; reporting; definition

14 Full-time equivalent (FTE) positions contained in this act are subject  
15 to appropriation. The director of the department of administration shall  
16 account for the use of all appropriated FTE positions excluding those in the  
17 department of economic security, the universities and the department of  
18 environmental quality. The director shall submit the fiscal year 2012-2013  
19 report by October 1, 2013 to the director of the joint legislative budget  
20 committee. The reports shall compare the level of FTE usage in each fiscal  
21 year to the appropriated level. For the purposes of this section, "FTE  
22 positions" shall mean the total number of hours worked, including both  
23 regular and overtime hours as well as hours taken as leave, divided by the  
24 number of hours in a work year. The director of the department of  
25 administration shall notify the director of each budget unit if the budget  
26 unit has exceeded its number of appropriated FTE positions. The above  
27 excluded agencies shall each report to the director of the joint legislative  
28 budget committee in a manner comparable to the department of administration  
29 reporting.

30 Sec. 139. Filled FTE positions; reporting

31 By October 1, 2012, each agency, including the judiciary and  
32 universities, shall submit a report to the director of the joint legislative  
33 budget committee on the number of filled, appropriated FTE positions by fund  
34 source. The number of filled, appropriated FTE positions reported shall be  
35 as of September 1, 2012.

36 Sec. 140. Transfer of spending authority

37 The department of administration shall report monthly to the director  
38 of the joint legislative budget committee on any transfers of spending  
39 authority made pursuant to section 35-173, subsection C, Arizona Revised  
40 Statutes, during the prior month.

41 Sec. 141. Interim reporting requirements

42 A. State general fund revenue for fiscal year 2011-2012, not including  
43 the beginning balance and including one-time revenues, is forecasted to be  
44 \$8,645,992,200.

1           B. State general fund revenue for fiscal year 2012-2013, not including  
2 the beginning balance and including one-time revenues, is forecasted to be  
3 \$8,693,355,700.

4           C. The executive branch shall provide to the joint legislative budget  
5 committee a preliminary estimate of the fiscal year 2011-2012 state general  
6 fund ending balance by September 15, 2012. The estimate shall include  
7 projections of total revenues, total expenditures and ending balance. The  
8 department of administration shall continue to provide the final report for  
9 the fiscal year in its annual financial report pursuant to section 35-131,  
10 Arizona Revised Statutes.

11           D. Based on the information provided by the executive branch, the  
12 staff of the joint legislative budget committee shall report to the joint  
13 legislative budget committee by October 15 of 2012 and 2013 as to whether  
14 that fiscal year's revenues and ending balance are expected to change by more  
15 than \$50,000,000 from the budgeted projections. The executive branch may  
16 also provide its own estimates to the joint legislative budget committee by  
17 October 15 of each year.

18           Sec. 142. Definition

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

22           Sec. 143. Definition

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

26           Sec. 144. Definition

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