

State of Arizona  
House of Representatives  
Fifty-first Legislature  
Second Regular Session  
2014

# HOUSE BILL 2703

AN ACT

MAKING APPROPRIATIONS AND BUDGET REDUCTIONS, LIMITATIONS AND TRANSFERS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS FOR FISCAL YEAR 2014-2015; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1	Be it enacted by the Legislature of the State of Arizona:	
2	Section 1. Subject to applicable laws, the sums or sources of revenue	
3	set forth in this act are appropriated for the fiscal years indicated and	
4	only from the funding sources listed for the purposes and objects specified.	
5	If monies from funding sources in this act are unavailable, no other funding	
6	source may be used.	
7	Sec. 2. ARIZONA STATE BOARD OF ACCOUNTANCY	
8		<u>2014-15</u>
9	FTE positions	13.0
10	Lump sum appropriation	\$ 1,933,700
11	Fund sources:	
12	Board of accountancy fund	\$ 1,933,700
13	Sec. 3. ACUPUNCTURE BOARD OF EXAMINERS	
14		<u>2014-15</u>
15	FTE positions	1.0
16	Lump sum appropriation	\$ 154,600
17	Fund sources:	
18	Acupuncture board of examiners	
19	fund	\$ 154,600
20	Sec. 4. DEPARTMENT OF ADMINISTRATION	
21		<u>2014-15</u>
22	FTE positions	504.1
23	Operating lump sum appropriation	\$ 86,430,800
24	Utilities	8,275,600
25	County attorney immigration	
26	enforcement	1,213,200
27	Risk management administrative	
28	expenses	8,746,100
29	Risk management losses and	
30	premiums	44,566,200
31	Workers' compensation losses	
32	and premiums	30,955,200
33	Statewide information security	
34	and privacy office	871,700
35	State surplus property sales	
36	proceeds	<u>1,260,000</u>
37	Total appropriation - department of	
38	administration	\$182,318,800
39	Fund sources:	
40	State general fund	\$ 11,144,600
41	Air quality fund	927,100

1	Automation operations fund	19,108,000
2	Capital outlay stabilization fund	18,070,700
3	Corrections fund	572,900
4	Federal surplus materials revolving	
5	fund	464,100
6	Information technology fund	3,232,300
7	Motor vehicle pool revolving fund	10,155,800
8	Personnel division fund	12,898,700
9	Risk management revolving fund	91,982,200
10	Special employee health insurance	
11	trust fund	5,259,200
12	State surplus materials revolving	
13	fund	2,399,600
14	State web portal fund	4,250,000
15	Telecommunications fund	1,853,600

16       Of the \$1,213,200 appropriated to the county attorney immigration  
17 enforcement line item, \$200,000 must be distributed to the county attorney of  
18 a county in this state having a population of two million or more persons for  
19 the purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
20 Statutes, and \$500,000 must be distributed to the county sheriff of a county  
21 in this state having a population of two million or more persons for the  
22 purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
23 Statutes. Subject to the prior approval of the joint legislative budget  
24 committee, the remaining monies may be distributed to county attorneys and  
25 county sheriffs of counties with populations of less than two million persons  
26 for the purpose of enforcing title 23, chapter 2, article 2, Arizona Revised  
27 Statutes. This appropriation is exempt from the provisions of section  
28 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. The  
29 appropriated monies may be spent in the sole discretion of the county  
30 attorney or county sheriff to whom the monies are distributed for the purpose  
31 of enforcing title 23, chapter 2, article 2, Arizona Revised Statutes,  
32 without any further approval or other action by the county board of  
33 supervisors of the county. Each county shall submit an annual report to the  
34 department of administration on or before October 1, 2014 on the actual use  
35 of the monies in the previous fiscal year and the projected use of the monies  
36 in the current fiscal year. The department of administration shall report to  
37 the directors of the governor's office of strategic planning and budgeting  
38 and the joint legislative budget committee on or before November 1, 2014 on  
39 the use of these monies.

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

1 The appropriation for the automation operations fund established by  
 2 section 41-711, Arizona Revised Statutes, is an estimate representing all  
 3 monies, including balance forward, revenue and transfers during fiscal year  
 4 2014-2015. These monies are appropriated to the department of administration  
 5 for the purposes established in section 41-711, Arizona Revised Statutes.  
 6 The appropriation is adjusted as necessary to reflect receipts credited to  
 7 the automation operations fund for automation operation center projects.  
 8 Before the expenditure of any automation operations fund revenues in excess  
 9 of \$19,108,000 in fiscal year 2014-2015, the department of administration  
 10 shall report the intended use of monies to the joint legislative budget  
 11 committee.

12 The amounts appropriated for the state employee transportation service  
 13 subsidy must be used for up to a fifty per cent subsidy of charges payable  
 14 for transportation service expenses as provided in section 41-710.01, Arizona  
 15 Revised Statutes, of nonuniversity state employees in a vehicle emissions  
 16 control area as defined in section 49-541, Arizona Revised Statutes, of a  
 17 county with a population of more than four hundred thousand persons.

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

20 All state surplus materials revolving fund revenues received by the  
 21 department of administration in excess of \$2,399,600 in fiscal year 2014-2015  
 22 are appropriated to the department. Before the expenditure of state surplus  
 23 materials revolving fund receipts in excess of \$2,399,600 in fiscal year  
 24 2014-2015, the department of administration shall report the intended use of  
 25 monies to the joint legislative budget committee.

26 On or before October 1, 2014, the department shall submit a report for  
 27 review by the joint legislative budget committee of the expenditures to date  
 28 and progress of implementation for any monies received from the state and  
 29 local implementation grant program associated with the national public safety  
 30 broadband network initiative. The joint legislative budget committee may  
 31 require the department to submit more frequent reports as necessary for  
 32 further review.

33 Sec. 5. OFFICE OF ADMINISTRATIVE HEARINGS

34		<u>2014-15</u>
35	FTE positions	12.0
36	Lump sum appropriation	\$ 874,500
37	Fund sources:	
38	State general fund	\$ 862,200
39	Healthcare group fund	12,300

40 Sec. 6. ARIZONA DEPARTMENT OF AGRICULTURE

41		<u>2014-15</u>
42	FTE positions	161.0
43	Operating lump sum appropriation	\$ 7,881,800
44	Agricultural employment relations	
45	board	23,300

1	Animal damage control	65,000
2	Red imported fire ant	23,200
3	Agricultural consulting and	
4	training pari-mutuel	<u>128,500</u>
5	Total appropriation - department of	
6	agriculture	\$ 8,121,800
7	Fund sources:	
8	State general fund	\$ 8,121,800
9	Sec. 7. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
10		<u>2014-15</u>
11	FTE positions	2,208.3
12	Operating lump sum appropriation	\$ 77,785,300
13	DES eligibility	54,867,700
14	Proposition 204 - AHCCCS	
15	administration	6,863,100
16	Proposition 204 - DES eligibility	38,354,100
17	Traditional medicaid services	3,897,186,400
18	Proposition 204 services	1,948,717,900
19	Adult expansion	227,369,700
20	Children's rehabilitative services	197,070,000
21	KidsCare services	6,223,000
22	ALTCS services	1,344,569,500
23	Disproportionate share payments	13,487,100
24	Disproportionate share payments -	
25	voluntary match	19,373,400
26	Rural hospitals	22,650,000
27	Graduate medical education	165,918,500
28	Safety net care pool	<u>68,500,000</u>
29	Total appropriation and expenditure	
30	authority - Arizona health	
31	care cost containment system	\$8,088,935,700
32	Appropriated fund sources:	
33	State general fund	\$1,275,393,500
34	Budget neutrality compliance fund	3,384,400
35	Children's health insurance	
36	program fund	6,649,300
37	Prescription drug rebate	
38	fund - state	79,035,000
39	Tobacco products tax fund -	
40	emergency health services	
41	account	18,202,400
42	Tobacco tax and health care	
43	fund - medically needy account	34,178,800
44	Expenditure authority	6,672,092,300

1           Operating budget

2           The amounts appropriated for the department of economic security  
3 eligibility line item must be used for intergovernmental agreements with the  
4 department of economic security for the purpose of eligibility determination  
5 and other functions. The general fund share may be used for eligibility  
6 determination for other programs administered by the division of benefits and  
7 medical eligibility based on the results of the Arizona random moment  
8 sampling survey.

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

13           Medical services

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

18           The Arizona health care cost containment system administration shall  
19 report to the joint legislative budget committee on or before March 1 of each  
20 year on preliminary actuarial estimates of the capitation rate changes for  
21 the following fiscal year along with the reasons for the estimated changes.  
22 For any actuarial estimates that include a range, the total range from  
23 minimum to maximum may not be more than two per cent. Before implementation  
24 of any changes in capitation rates, the Arizona health care cost containment  
25 system administration shall report its expenditure plan for review by the  
26 joint legislative budget committee. Before the administration implements any  
27 changes in policy affecting the amount, sufficiency, duration and scope of  
28 health care services and who may provide services, the administration shall  
29 prepare a fiscal impact analysis on the potential effects of this change on  
30 the following year's capitation rates. If the fiscal analysis demonstrates  
31 that these changes will result in additional state costs of \$500,000 or more  
32 for a given fiscal year, the administration shall submit the policy changes  
33 for review by the joint legislative budget committee.

34           Any federal funds that the Arizona health care cost containment system  
35 administration passes through to the department of economic security for use  
36 in long-term administration care for the developmentally disabled do not  
37 count against the long-term care expenditure authority above.

38           Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the  
39 county portion of the fiscal year 2014-2015 nonfederal portion of the costs  
40 of providing long-term care system services is \$245,196,200. This amount is  
41 included in the expenditure authority fund source.

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

1 The expenditure authority fund source includes voluntary payments made  
2 from political subdivisions for medicaid coverage of certain children and for  
3 payments to hospitals that operate a graduate medical education program or  
4 treat low-income patients. The political subdivision portions of the fiscal  
5 year 2014-2015 costs of graduate medical education, disproportionate share  
6 payments - voluntary match and safety net care pool line items are included  
7 in the expenditure authority fund source.

8 Any supplemental payments received in excess of \$53,918,700 for nursing  
9 facilities that serve medicaid patients in fiscal year 2014-2015, including  
10 any federal matching monies, by the Arizona health care cost containment  
11 system administration are appropriated to the administration in fiscal year  
12 2014-2015. Before the expenditure of these increased monies, the  
13 administration shall notify the joint legislative budget committee and the  
14 governor's office of strategic planning and budgeting of the amount of monies  
15 that will be expended under this provision. These payments are included in  
16 the expenditure authority fund source.

17 It is the intent of the legislature that the Arizona health care cost  
18 containment system administration increase skilled nursing facility provider  
19 rates by two per cent in fiscal year 2014-2015, in addition to rate  
20 adjustments that would otherwise be actuarially determined for fiscal year  
21 2014-2015.

22 The Arizona health care cost containment system administration shall  
23 transfer up to \$1,200,000 from the traditional medicaid services line item  
24 for fiscal year 2014-2015 to the attorney general for costs associated with  
25 tobacco settlement litigation.

26 The Arizona health care cost containment system administration shall  
27 transfer \$436,000 from the traditional medicaid services line item for fiscal  
28 year 2014-2015 to the department of revenue for enforcement costs associated  
29 with the March 13, 2013 master settlement agreement with tobacco companies.

30 The Arizona health care cost containment system administration shall  
31 transfer \$1,000,000 from the traditional medicaid services line item for  
32 fiscal year 2014-2015 to the automation projects fund established by section  
33 41-714, Arizona Revised Statutes, to implement a tobacco tax processing and  
34 revenue accounting system at the department of revenue.

35 Payments to hospitals

36 The \$13,487,100 appropriation for disproportionate share payments for  
37 fiscal year 2014-2015 made pursuant to section 36-2903.01, subsection 0,  
38 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county health  
39 care district and \$9,284,800 for private qualifying disproportionate share  
40 hospitals.

41 Any monies received for disproportionate share payments from political  
42 subdivisions of this state, tribal governments and any university under the  
43 jurisdiction of the Arizona board of regents, and any federal monies used to  
44 match those payments, that are received in fiscal year 2014-2015 by the  
45 Arizona health care cost containment system administration in excess of

1 \$19,373,400 are appropriated to the administration in fiscal year 2014-2015.  
2 Before the expenditure of these increased monies, the administration shall  
3 notify the joint legislative budget committee and the governor's office of  
4 strategic planning and budgeting of the amount of monies that will be  
5 expended under this provision.

6 Any monies for graduate medical education received in fiscal year  
7 2014-2015, including any federal matching monies, by the Arizona health care  
8 cost containment system administration in excess of \$165,918,500 are  
9 appropriated to the administration in fiscal year 2014-2015. Before the  
10 expenditure of these increased monies, the administration shall notify the  
11 joint legislative budget committee and the governor's office of strategic  
12 planning and budgeting of the amount of monies that will be expended under  
13 this provision.

14 Any monies received in excess of \$68,500,000 for the safety net care  
15 pool by the Arizona health care cost containment system administration in  
16 fiscal year 2014-2015, including any federal matching monies, are  
17 appropriated to the administration in fiscal year 2014-2015. Before the  
18 expenditure of these increased monies, the administration shall notify the  
19 joint legislative budget committee and the governor's office of strategic  
20 planning and budgeting of the amount of monies that will be expended under  
21 this provision.

22 Other reports

23 On or before January 6, 2015, the Arizona health care cost containment  
24 system administration shall report to the director of the joint legislative  
25 budget committee the total amount of medicaid reconciliation payments and  
26 penalties received on or before that date since July 1, 2014. On June 30,  
27 2015, the administration shall report the same information for all of fiscal  
28 year 2014-2015.

29 The Arizona health care cost containment system administration shall  
30 report thirty days after the end of each calendar quarter to the directors of  
31 the joint legislative budget committee and the governor's office of strategic  
32 planning and budgeting on the implementation of its required automation  
33 interaction with the health insurance exchange and eligibility modifications.

34 On or before August 1, 2014, the Arizona health care cost containment  
35 system administration shall provide to the joint legislative budget committee  
36 for review a report on the interagency agreement with the department of  
37 health services for providing acute care services for persons enrolled in the  
38 Maricopa integrated regional behavioral health authority unless the  
39 administration already provided the report in fiscal year 2013-2014.

40 Sec. 8. STATE BOARD OF APPRAISAL

41		<u>2014-15</u>
42	FTE positions	9.0
43	Lump sum appropriation	\$ 861,600
44	Fund sources:	
45	Board of appraisal fund	\$ 861,600

1	Sec. 9. BOARD OF ATHLETIC TRAINING	
2		<u>2014-15</u>
3	FTE positions	1.5
4	Lump sum appropriation	\$ 118,200
5	Fund sources:	
6	Athletic training fund	\$ 118,200
7	Sec. 10. ATTORNEY GENERAL - DEPARTMENT OF LAW	
8		<u>2014-15</u>
9	FTE positions	570.9
10	Operating lump sum appropriation	\$ 51,544,600
11	Capital postconviction prosecution	800,000
12	Child safety and family services	1,000,000
13	Northern Arizona law enforcement	500,000
14	State grand jury	181,100
15	Victims' rights	3,758,400
16	Risk management interagency	
17	service agreement	9,439,500
18	Military airport planning	<u>5,000</u>
19	Total appropriation - attorney general -	
20	department of law	\$ 67,228,600
21	Fund sources:	
22	State general fund	\$ 23,879,600
23	Antitrust enforcement revolving	
24	fund	244,200
25	Attorney general legal services	
26	cost allocation fund	2,087,500
27	Collection enforcement revolving	
28	fund	6,887,800
29	Consumer protection - consumer	
30	fraud revolving fund	5,306,200
31	Interagency service agreements	
32	fund	14,825,400
33	Risk management revolving fund	9,439,500
34	State aid to indigent defense fund	800,000
35	Victims' rights fund	3,758,400

36 The attorney general shall submit to the joint legislative budget  
37 committee for review the quarterly reports on legal settlements required by  
38 sections 41-192, 44-1531.01 and 44-1531.02, Arizona Revised Statutes.

39 In addition to the \$14,825,400 appropriated from the interagency  
40 service agreements fund in fiscal year 2014-2015, an additional \$800,000 and  
41 11 FTE positions are appropriated from the interagency service agreements  
42 fund in fiscal year 2014-2015 for new or expanded interagency service  
43 agreements. The attorney general shall report to the joint legislative  
44 budget committee whenever an interagency service agreement is established  
45 that will require expenditures from the additional amount. The report must

1 include the name of the agency or entity with which the agreement is made,  
2 the dollar amount of the contract by fiscal year and the number of associated  
3 FTE positions.

4 Sec. 11. AUTOMOBILE THEFT AUTHORITY

	<u>2014-15</u>
5	
6 FTE positions	6.0
7 Operating lump sum appropriation	\$ 639,900
8 Automobile theft authority grants	4,607,700
9 Reimbursable programs	<u>50,000</u>
10 Total appropriation - automobile theft	
11 authority	\$ 5,297,600
12 Fund sources:	
13 Automobile theft authority fund	\$ 5,297,600

14 The automobile theft authority shall submit a report to the joint  
15 legislative budget committee for review before expending any monies for the  
16 reimbursable programs line item. The agency shall also show sufficient  
17 monies collected to cover the expenses indicated in the report.

18 Automobile theft authority grants must be awarded with consideration  
19 given to areas with greater automobile theft problems and be used to combat  
20 economic automobile theft operations.

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

24 Sec. 12. BOARD OF BARBERS

	<u>2014-15</u>
25	
26 FTE positions	4.0
27 Lump sum appropriation	\$ 333,800
28 Fund sources:	
29 Board of barbers fund	\$ 333,800

30 Sec. 13. BOARD OF BEHAVIORAL HEALTH EXAMINERS

	<u>2014-15</u>
31	
32 FTE positions	17.0
33 Lump sum appropriation	\$ 1,758,100
34 Fund sources:	
35 Board of behavioral health	
36 examiners fund	\$ 1,758,100

37 Sec. 14. STATE BOARD FOR CHARTER SCHOOLS

	<u>2014-15</u>
38	
39 FTE positions	11.0
40 Lump sum appropriation	\$ 994,400
41 Fund sources:	
42 State general fund	\$ 994,400

1	Sec. 15. STATE BOARD OF CHIROPRACTIC EXAMINERS	
2		<u>2014-15</u>
3	FTE positions	5.0
4	Lump sum appropriation	\$ 450,400
5	Fund sources:	
6	Board of chiropractic examiners	
7	fund	\$ 450,400
8	Sec. 16. ARIZONA COMMUNITY COLLEGES	
9		<u>2014-15</u>
10	<u>Equalization aid</u>	
11	Cochise	\$ 3,870,500
12	Graham	15,025,500
13	Navajo	<u>5,283,300</u>
14	Total - equalization aid	\$ 24,179,300
15	<u>Operating state aid</u>	
16	Cochise	\$ 5,343,400
17	Coconino	1,775,800
18	Gila	346,300
19	Graham	2,261,300
20	Maricopa	7,409,500
21	Mohave	1,543,300
22	Navajo	1,618,200
23	Pima	6,493,500
24	Pinal	2,023,900
25	Santa Cruz	47,900
26	Yavapai	887,000
27	Yuma/La Paz	<u>2,726,600</u>
28	Total - operating state aid	\$ 32,476,700
29	<u>STEM and workforce programs state aid</u>	
30	Cochise	\$ 1,236,700
31	Coconino	426,900
32	Gila	142,800
33	Graham	640,500
34	Maricopa	1,400,000
35	Mohave	593,700
36	Navajo	375,400
37	Pima	600,000
38	Pinal	1,009,300
39	Santa Cruz	45,400
40	Yavapai	802,900
41	Yuma/La Paz	<u>882,500</u>
42	Total - STEM and workforce programs	
43	state aid	\$ 8,156,100

1	Rural county reimbursement subsidy	<u>\$ 1,273,800</u>
2	Total appropriation - Arizona community	
3	colleges	\$ 66,085,900
4	Fund sources:	
5	State general fund	\$ 66,085,900
6	Of the \$1,273,800 appropriated to the rural county reimbursement	
7	subsidy line item, Apache county receives \$699,300 and Greenlee county	
8	\$574,500.	
9	Sec. 17. REGISTRAR OF CONTRACTORS	
10		<u>2014-15</u>
11	FTE positions	105.6
12	Operating lump sum appropriation	\$ 11,175,700
13	Office of administrative hearings	
14	costs	<u>1,017,600</u>
15	Total appropriation - registrar of	
16	contractors	\$ 12,193,300
17	Fund sources:	
18	Registrar of contractors fund	\$ 12,193,300
19	Any transfer to or from the amount appropriated for the office of	
20	administrative hearings costs line item requires review by the joint	
21	legislative budget committee.	
22	Sec. 18. CORPORATION COMMISSION	
23		<u>2014-15</u>
24	FTE positions	300.9
25	Operating lump sum appropriation	\$ 26,266,800
26	Corporation filings, same day	
27	service	400,400
28	Securities division database	
29	upgrade	750,000
30	Utilities audits, studies,	
31	investigations and hearings	<u>380,000*</u>
32	Total appropriation - corporation commission	\$ 27,797,200
33	Fund sources:	
34	State general fund	\$ 609,700
35	Arizona arts trust fund	50,100
36	Investment management regulatory	
37	and enforcement fund	715,400
38	Public access fund	6,623,800
39	Securities regulatory and	
40	enforcement fund	5,570,800
41	Utility regulation revolving fund	14,227,400

1           The \$400,400 appropriated from the public access fund for the  
2 corporation filings, same day service line item reverts to the public access  
3 fund at the end of the fiscal year 2014-2015 if the commission has not  
4 established a same day service pursuant to section 10-122, Arizona Revised  
5 Statutes.

6 Sec. 19. STATE DEPARTMENT OF CORRECTIONS

	<u>2014-15</u>
7	
8           FTE positions	9,534.0
9           Operating lump sum appropriation	\$ 772,227,800
10           Private prison per diem	145,221,300
11           Inmate health care contracted	
12           services	<u>125,274,900</u>
13       Total appropriation - state department	
14       of corrections	\$1,042,724,000
15       Fund sources:	
16           State general fund	\$ 997,812,200
17           State education fund for	
18           correctional education	516,200
19           Alcohol abuse treatment fund	554,400
20           Penitentiary land fund	979,200
21           State charitable, penal and	
22           reformatory institutions	
23           land fund	360,000
24           Corrections fund	27,517,600
25           Transition program fund	1,300,000
26           Prison construction and operations	
27           fund	13,684,400

28           Of the \$145,221,300 appropriated for private prison per diem, the  
29 \$900,000 increase is distributed as follows: \$477,000 to Florence II,  
30 \$171,000 to Phoenix West and \$252,000 to Florence West to partially offset  
31 previous reductions to emergency bed per diems at these facilities.

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

36           The state department of corrections shall forward a monthly report  
37 comparing department expenditures for the month and year-to-date as compared  
38 to prior year expenditures 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 on or before the thirtieth of the following  
42 month. The report must be in the same format as the prior fiscal year and  
43 include an estimate of potential shortfalls, potential surpluses that may be  
44 available to offset these shortfalls and a plan, if necessary, for  
45 eliminating any shortfall without a supplemental appropriation.

1           The state department of corrections shall provide a report on bed  
2 capacity to the joint legislative budget committee for its review on or  
3 before August 1, 2014. The report must reflect the bed capacity for each  
4 security classification by gender at each state-run and private institution,  
5 divided by rated and total beds. The report must include bed capacity data  
6 for June 30 of the previous fiscal year, June 30 of the current fiscal year  
7 and June 30 of the subsequent fiscal year, as well as the reasons for any  
8 change within that time period. Within the total bed count, the department  
9 shall provide the number of temporary and special use beds. If the  
10 department develops a plan subsequent to its August 1 report to close  
11 state-operated prison rated beds or cancel or not renew contracts for  
12 privately operated prison beds, the state department of corrections shall  
13 submit a bed plan detailing the proposed bed closures for review by the joint  
14 legislative budget committee before implementing these changes.

15           One hundred per cent of land earnings and interest from the  
16 penitentiary land fund must be distributed to the state department of  
17 corrections in compliance with the enabling act and the Constitution of  
18 Arizona to be used for the support of state penal institutions.

19           Twenty-five per cent of land earnings and interest from the state  
20 charitable, penal and reformatory institutions land fund must be distributed  
21 to the state department of corrections in compliance with the enabling act  
22 and the Constitution of Arizona to be used for the support of state penal  
23 institutions.

24           Before the expenditure of any state education fund for correctional  
25 education receipts in excess of \$516,200, the state department of corrections  
26 shall report the intended use of the monies to the director of the joint  
27 legislative budget committee.

28           The department may spend a portion of its total appropriation on  
29 capital projects in fiscal year 2014-2015. Before the expenditure, the  
30 department shall submit the scope, purpose and estimated cost of the projects  
31 to the joint committee on capital review for its review pursuant to section  
32 41-1252, Arizona Revised Statutes.

33 Sec. 20. BOARD OF COSMETOLOGY

34

	<u>2014-15</u>
35           FTE positions	24.5
36           Lump sum appropriation	\$ 1,784,500
37           Fund sources:	
38           Board of cosmetology fund	\$ 1,784,500

39 Sec. 21. ARIZONA CRIMINAL JUSTICE COMMISSION

40

	<u>2014-15</u>
41           FTE positions	9.0
42           Operating lump sum appropriation	\$ 888,100

1	State aid to county attorneys	973,600
2	Victim compensation and assistance	<u>4,092,500</u>
3	Total appropriation - Arizona criminal	
4	justice commission	\$ 5,954,200
5	Fund sources:	
6	Criminal justice enhancement fund	\$ 649,200
7	Drug and gang prevention resource	
8	center fund	238,900
9	State aid to county attorneys fund	973,600
10	Victim compensation and assistance	
11	fund	4,092,500

12 All victim compensation and assistance receipts received by the Arizona  
 13 criminal justice commission in excess of \$4,092,500 in fiscal year 2014-2015  
 14 are appropriated to the crime victims program. Before the expenditure of any  
 15 victim compensation and assistance receipts in excess of \$4,092,500 in fiscal  
 16 year 2014-2015, the Arizona criminal justice commission shall report the  
 17 intended use of the monies to the joint legislative budget committee.

18 All state aid to county attorneys fund receipts received by the Arizona  
 19 criminal justice commission in excess of \$973,600 in fiscal year 2014-2015  
 20 are appropriated to the state aid to the county attorneys program. Before  
 21 the expenditure of any state aid to county attorneys fund receipts in excess  
 22 of \$973,600, the Arizona criminal justice commission shall report the  
 23 intended use of the monies to the joint legislative budget committee.

24 Sec. 22. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

25		<u>2014-15</u>
26	FTE positions	541.2
27	Administration/statewide	\$ 4,207,600
28	Phoenix day school for the deaf	9,999,200
29	Tucson campus	14,348,300
30	Regional cooperatives	832,400
31	Preschool/outreach programs	5,255,300
32	School bus replacement	738,000
33	Replace network core infrastructure	695,800
34	Voucher fund adjustment	<u>(1,000,000)</u>
35	Total appropriation - Arizona state schools	
36	for the deaf and the blind	\$ 35,076,600
37	Fund sources:	
38	State general fund	\$ 22,491,100
39	Schools for the deaf and the	
40	blind fund	12,585,500

41 Before the expenditure of any schools for the deaf and the blind fund  
 42 monies in excess of \$12,585,500 in fiscal year 2014-2015, the Arizona state  
 43 schools for the deaf and the blind shall report to the joint legislative  
 44 budget committee the intended use of the funds.

1	Sec. 23. COMMISSION FOR THE DEAF AND THE HARD OF HEARING	
2		<u>2014-15</u>
3	FTE positions	15.0
4	Lump sum appropriation	\$ 4,015,400
5	Fund sources:	
6	Telecommunication fund for	
7	the deaf	\$ 4,015,400
8	Sec. 24. STATE BOARD OF DENTAL EXAMINERS	
9		<u>2014-15</u>
10	FTE positions	11.0
11	Lump sum appropriation	\$ 1,214,800
12	Fund sources:	
13	Dental board fund	\$ 1,214,800
14	Sec. 25. DEPARTMENT OF ECONOMIC SECURITY	
15		<u>2014-15</u>
16	FTE positions	6,722.5
17	Operating lump sum appropriation	\$208,901,600
18	<u>Administration</u>	
19	Attorney general legal services	11,324,500
20	<u>Aging and adult services</u>	
21	Adult services	7,924,100
22	Community and emergency services	3,724,000
23	Coordinated homeless	2,522,600
24	Domestic violence prevention	12,123,700
25	<u>Benefits and medical eligibility</u>	
26	Temporary assistance for needy	
27	families cash benefits	44,999,400
28	Coordinated hunger	1,754,600
29	Tribal pass-through funding	4,680,300
30	<u>Child support enforcement</u>	
31	County participation	6,740,200
32	<u>Child safety and family services</u>	
33	Division of child safety and	
34	family services operating	
35	lump sum appropriation	210,655,900
36	Division of child safety and	
37	family services attorney	
38	general legal services	18,260,500
39	Records retention staff	597,400
40	Adoption services	188,483,300
41	In-home preventive support	
42	services	28,432,100
43	Out-of-home support services	116,729,900

1	CPS emergency and residential	
2	placement	76,467,000
3	Foster care placement	46,328,400
4	Independent living maintenance	3,469,300
5	Intensive family services	8,500,000
6	Permanent guardianship subsidy	11,215,300
7	Grandparent stipends	1,000,000
8	<u>Developmental disabilities</u>	
9	Case management - medicaid	47,727,500
10	Home and community based	
11	services - medicaid	804,205,900
12	Institutional services -	
13	medicaid	18,964,400
14	Medical services - medicaid	138,600,200
15	Arizona training program at	
16	Coolidge - medicaid	15,903,500
17	Medicare clawback payments	2,902,400
18	Case management - state-only	3,926,600
19	Home and community based	
20	services - state-only	35,096,700
21	State-funded long-term care	
22	services	26,527,900
23	Autism parenting skills -	
24	rural areas	300,000
25	<u>Employment and rehabilitation services</u>	
26	JOBS	11,005,600
27	Day care subsidy	130,396,600
28	Independent living rehabilitation	
29	services	1,289,400
30	Rehabilitation services	3,799,100
31	Workforce investment act	
32	services	53,654,600
33	<u>Agencywide</u>	
34	Contingency funding	<u>1,449,300</u>
35	Total appropriation - department of	
36	economic security	\$2,310,583,800
37	Fund sources:	
38	State general fund	755,846,600
39	Federal child care and	
40	development fund block grant	130,769,700
41	Federal temporary assistance for	
42	needy families block grant	218,705,400
43	Public assistance collections	
44	fund	427,000

1	Special administration fund	2,829,900
2	Spinal and head injuries trust	
3	fund	1,874,700
4	Statewide cost allocation plan	
5	fund	1,000,000
6	Child abuse prevention fund	1,459,100
7	Children and family services	
8	training program fund	207,700
9	Child support enforcement	
10	administration fund	16,787,400
11	Domestic violence shelter fund	2,220,000
12	Long-term care system fund	31,198,500
13	Workforce investment act grant	56,060,000
14	Child support enforcement	
15	administration fund expenditure	
16	authority	40,397,800
17	Developmental disabilities medicaid	
18	expenditure authority	745,999,600
19	Division of child safety and family	
20	services expenditure authority	304,800,400

21 Administration

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

30 Aging and adult services

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

36 The department of economic security shall report to the joint  
37 legislative budget committee on the amount of state and federal monies  
38 available statewide for domestic violence funding on or before December  
39 15, 2014. The report must include, at a minimum, the amount of monies  
40 available and the state fiscal agent receiving those monies.

41 Benefits and medical eligibility

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

1           Child support enforcement

2           All state shares of retained earnings, fees and federal incentives  
3 above \$16,787,400 received by the division of child support enforcement are  
4 appropriated for operating expenditures. New full-time equivalent positions  
5 may be authorized with the increased funding. Before the expenditure of  
6 these increased monies, the department of economic security shall report the  
7 intended use of the monies to the joint legislative budget committee.

8           Child safety and family services

9           Of the amounts appropriated for out-of-home support services, CPS  
10 emergency and residential placement and foster care placement, the department  
11 may transfer up to ten per cent of the total amount of federal temporary  
12 assistance for needy families block grant monies appropriated to the  
13 department of economic security to the social services block grant for use in  
14 the following line items in the division of child safety and family services:  
15 out-of-home support services, CPS emergency and residential placement and  
16 foster care placement. Before transferring federal temporary assistance for  
17 needy families block grant monies to the social services block grant, the  
18 department shall report the proposed amount of the transfer to the director  
19 of the joint legislative budget committee. This report may be in the form of  
20 an expenditure plan that is submitted at the beginning of the fiscal year and  
21 updated, if necessary, throughout the fiscal year.

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

25           It is the intent of the legislature that the department of economic  
26 security use the funding in the division of child safety and family services  
27 to achieve a one hundred per cent investigation rate.

28           Before the expenditure of monies from the intensive family services  
29 line item in fiscal year 2014-2015, the department of economic security shall  
30 submit an expenditure plan for review by the joint legislative budget  
31 committee. The expenditure plan must include an estimate of any comparable  
32 funding in the in-home preventive support services line item.

33           The amount appropriated for grandparent stipends must be used for a  
34 monthly stipend for a grandparent or any level of great-grandparent if a  
35 dependent child is placed in that person's care pursuant to department  
36 guidelines.

37           The department of economic security shall report to the joint  
38 legislative budget committee on its progress in implementing the auditor  
39 general's recommendations to improve performance-based contracting for foster  
40 home recruitment-related services on or before December 31, 2014.

41           The department of economic security or its successor agency must submit  
42 a report to the joint legislative budget committee on its progress in  
43 improving child safety hotline wait times and decreasing the abandoned call  
44 rate. The report must include the mean abandoned call rate along with the

1 mean and median call wait times. The report must be submitted on or before  
2 February 1, 2015 for the prior year.

3 It is the intent of the legislature that the funding in the in-home  
4 preventive support services line item be used for families whose children are  
5 at risk of out-of-home placement due to abuse, neglect or dependency, while  
6 the funding in the out-of-home support services line item is for children in  
7 out-of-home placements.

8 The legislature recognizes that the governor's task force on child  
9 protective services is developing legislation for the creation of the  
10 department of child safety and family services separate from the department  
11 of economic security. Since that task is not complete, this budget has been  
12 adopted without knowing the full funding requirements for this new agency to  
13 protect the safety of the children in this state. Therefore, it is the  
14 intent of the legislature that when these recommendations are made that the  
15 legislature will reexamine this budget in regard to the structure and needs  
16 of the new agency and provide resources to meet these needs. It is further  
17 understood that the governor's task force on child protective services will  
18 make budget recommendations based off this budget for the implementation of  
19 the legislation and the creation of the department of child safety and family  
20 services. The needs of the new agency include staffing, automation, support  
21 services, placement, early intervention services and any other area deemed  
22 necessary for the department of child services and family services and the  
23 safety of children in this state.

24 Developmental disabilities

25 The department of economic security shall report all new placements  
26 into a state-owned ICF-MR or the Arizona training program at Coolidge campus  
27 in fiscal year 2014-2015 to the president of the senate, the speaker of the  
28 house of representatives, the chairpersons of the senate and house of  
29 representatives appropriations committees and the director of the joint  
30 legislative budget committee and the reason why this placement, rather than a  
31 placement into a privately run facility for the developmentally disabled, was  
32 deemed as the most appropriate placement. The department shall also report  
33 if no new placements were made. The department shall make this report  
34 available on or before July 15, 2015.

35 All monies in the long-term care system fund unexpended and  
36 unencumbered at the end of fiscal year 2014-2015 revert to the state general  
37 fund, subject to approval by the Arizona health care cost containment system  
38 administration.

39 The appropriation for autism parenting skills - rural areas is for  
40 training parents in counties with a population of less than five hundred  
41 thousand persons according to the 2010 United States decennial census to  
42 provide intensive behavioral treatment to children with autism who are  
43 younger than five years of age.

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

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

23           It is the intent of the legislature that the department of economic  
24 security increase home and community based service provider rates by two per  
25 cent above the June 30, 2014 rate beginning on July 1, 2014. The two per  
26 cent provider rate increase for home and community based service provider  
27 rates may not be used for any administrative costs of the department of  
28 economic security. It is the intent of the legislature that the department  
29 of economic security not reduce any developmentally disabled provider rates  
30 in order to fund increases for other developmentally disabled provider  
31 service rates.

32           Employment and rehabilitation services

33           Of the \$130,396,600 appropriated for day care subsidy, plus any funding  
34 authorized to be deferred to fiscal year 2015-2016, \$115,199,900 is for a  
35 program in which the upper income limit is no more than one hundred  
36 sixty-five per cent of the federal poverty level.

37           All federal workforce investment act monies that are received by this  
38 state in excess of \$56,060,000 are appropriated to the workforce investment  
39 act services line item. Before the expenditure of these increased monies,  
40 the department of economic security shall report the intended use of monies  
41 above \$56,060,000 to the joint legislative budget committee.

1           Departmentwide

2           The above appropriations are in addition to funds granted to the state  
3 by the federal government for the same purposes but are deemed to include the  
4 sums deposited in the state treasury to the credit of the department of  
5 economic security pursuant to section 42-5029, Arizona Revised Statutes.

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

18           Any federal temporary assistance for needy families block grant monies  
19 received in fiscal year 2014-2015, including the beginning balance, by the  
20 department of economic security in excess of \$218,705,400 is appropriated to  
21 the department in fiscal year 2014-2015. For every dollar the department of  
22 economic security receives in federal temporary assistance for needy families  
23 block grant monies in fiscal year 2014-2015 in excess of the \$218,705,400  
24 appropriated, minus any fiscal year 2013-2014 revertments expected to be  
25 spent as administrative adjustments in fiscal year 2014-2015, the  
26 department's state general fund appropriation is reduced by a corresponding  
27 dollar amount. The department shall report to the joint legislative budget  
28 committee and the governor's office of strategic planning and budgeting on or  
29 before September 1, 2014 its estimate of how much of its fiscal year  
30 2013-2014 revertment will be spent as administrative adjustments in fiscal  
31 year 2014-2015 and excluded from the total amount of federal temporary  
32 assistance for needy families block grant monies. On or before June 30,  
33 2015, the department shall notify the joint legislative budget committee and  
34 the governor's office of strategic planning and budgeting of the amount of  
35 state general fund monies, if any, that will not be expended under this  
36 provision.

37           Before expending monies from the contingency funding line item in  
38 fiscal year 2014-2015, the department of economic security shall submit an  
39 expenditure plan to the joint legislative budget committee for its review.  
40 Monies in the contingency funding line item must be spent only to address  
41 unanticipated shortfalls in child protective services.

1 Sec. 26. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION  
2 2014-15  
3 FTE positions 175.9  
4 Operating lump sum appropriation \$ 8,599,100  
5 Fund sources:  
6 State general fund \$ 8,261,000  
7 Teacher certification fund 138,100  
8 Department of education empowerment  
9 scholarship account fund 200,000  
10 The operating lump sum appropriation includes \$683,900 and 8.5 FTE  
11 positions for average daily membership auditing and \$200,000 and 2 FTE  
12 positions for information technology security services.  
13 Basic state aid \$2,398,582,600  
14 Fund sources:  
15 State general fund \$2,352,107,100  
16 Permanent state school fund 46,475,500  
17 The above appropriation provides basic state support to school  
18 districts for maintenance and operations funding as provided by section  
19 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in  
20 expendable income derived from the permanent state school fund and from state  
21 trust lands pursuant to section 37-521, subsection B, Arizona Revised  
22 Statutes, for fiscal year 2014-2015.  
23 Receipts derived from the permanent state school fund and any other  
24 nonstate general fund revenue source that is dedicated to fund basic state  
25 aid must be expended, whenever possible, before expenditure of state general  
26 fund monies.  
27 Except as required by section 37-521, Arizona Revised Statutes, all  
28 monies received during the fiscal year from national forests, interest  
29 collected on deferred payments on the purchase of state lands, the income  
30 from the investment of permanent funds as prescribed by the enabling act and  
31 the Constitution of Arizona and all monies received by the superintendent of  
32 public instruction from whatever source, except monies received pursuant to  
33 sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the  
34 state treasury are appropriated for apportionment to the various counties in  
35 accordance with law. An expenditure may not be made except as specifically  
36 authorized above.  
37 K-3 reading 40,007,600  
38 The appropriated amount is for funding costs of the K-3 reading weight  
39 established in section 15-943, Arizona Revised Statutes, except that the  
40 state board of education may use up to \$1,500,000 of the appropriated amount  
41 on technical assistance and state level administration of the K-3 reading  
42 program. The appropriated amount includes 2 FTE positions.  
43 School year 2013-2014  
44 district-sponsored charter  
45 school conversions 33,000,000

1 Incremental monies for district-sponsored charter schools that  
2 converted to charter school status or that began operating as new schools  
3 under charter school status in fiscal year 2013-2014 may be expended only  
4 from the monies appropriated in the school year 2013-2014 district-sponsored  
5 charter schools conversions line item.

6	Student success funding	\$ 21,500,000
7	Fund sources:	
8	Student success fund	\$ 21,500,000
9	Additional state aid	352,502,000
10	Special education fund	33,242,100
11	Other state aid to districts	983,900
12	Accountability and achievement	
13	testing	\$ 18,223,600
14	Fund sources:	
15	State general fund	\$ 11,223,600
16	Proposition 301 fund	7,000,000

17 Before making any changes to the achievement testing program that will  
18 increase program costs, the state board of education shall submit the  
19 estimated fiscal impact of those changes to the joint legislative budget  
20 committee for review.

21	Adult education	4,500,000
22	Alternative teacher development	
23	program	500,000

24 The department of education shall award the appropriated amount to a  
25 service provider that meets all of the requirements of section 15-552,  
26 Arizona Revised Statutes. The service provider shall dedicate fifty per cent  
27 of the appropriated amount for alternative teacher development programs in  
28 counties with a population of more than nine hundred thousand persons  
29 according to the 2010 United States decennial census and fifty per cent of  
30 the appropriated amount for alternative teacher development programs in  
31 counties with a population of less than nine hundred thousand persons  
32 according to the 2010 United States decennial census.

33	Arizona structured English immersion	
34	fund	4,960,400
35	Information technology certification	1,200,000
36	English learner administration	6,516,200

37 The department of education must use the appropriated amount to provide  
38 English language acquisition services for the purposes of section 15-756.07,  
39 Arizona Revised Statutes, and for the costs of providing English language  
40 proficiency assessments, scoring and ancillary materials as prescribed by the  
41 department of education to school districts and charter schools for the  
42 purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The  
43 department of education may use a portion of the appropriated amount to hire  
44 staff or contract with a third party to carry out the purposes of section  
45 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona

1 Revised Statutes, the superintendent of public instruction also may use a  
 2 portion of the appropriated amount to contract with one or more private  
 3 attorneys to provide legal services in connection with the case of Flores v.  
 4 State of Arizona, No. CIV 92-596-TUC-RCC.

5 JTED performance pay 500,000

6 The department of education shall distribute the appropriated amount to  
 7 joint technical education districts on a pro rata basis based on the number  
 8 of related placements reported for each individual joint technical education  
 9 district relative to the number of related placements reported for joint  
 10 technical education districts for the state as a whole in the most recent  
 11 joint technical education district report published by the department  
 12 pursuant to section 15-393, subsection M, Arizona Revised Statutes.

13 JTED soft capital and equipment 1,000,000

14 The department of education shall distribute the appropriated amount to  
 15 joint technical education districts with fewer than two thousand average  
 16 daily membership pupils for soft capital and equipment expenses. The  
 17 appropriated amount must be allocated on a pro rata basis based on the  
 18 average daily membership of eligible joint technical education districts.

19 Student success fund deposit 22,400,000\*

20 School safety program 3,646,400

21 State block grant for vocational  
 22 education 11,575,400

23 Teacher certification \$ 1,841,900

24 Fund sources:

25 Teacher certification fund \$ 1,841,900

26 State board of education \$ 1,614,400

27 Fund sources:

28 State general fund \$ 1,234,700

29 Teacher certification fund 379,700

30 The state board of education may establish its own strategic plan  
 31 separate from that of the department of education and based on its own  
 32 separate mission, goals and performance measures.

33 Total appropriation - state board of  
 34 education and superintendent  
 35 of public instruction

36 

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\$2,966,895,600

37 Fund sources:

38 State general fund \$2,889,360,400

39 Proposition 301 fund 7,000,000

40 Permanent state school fund 46,475,500

41 Teacher certification fund 2,359,700

42 Student success fund 21,500,000

43 Department of education empowerment

44 scholarship account fund 200,000

1 The department shall provide an updated report on its budget status  
 2 every three months for the first half of each fiscal year and every month  
 3 thereafter to the president of the senate, the speaker of the house of  
 4 representatives, the chairpersons of the senate and house of representatives  
 5 appropriations committees, the director of the joint legislative budget  
 6 committee and the director of the governor's office of strategic planning and  
 7 budgeting. Each report must include, at a minimum, the department's current  
 8 funding surplus or shortfall projections for basic state aid and other major  
 9 formula-based programs and is due thirty days after the end of the applicable  
 10 reporting period.

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

15 For fiscal year 2014-2015, the state board of education, in  
 16 collaboration with the department of education and the department of  
 17 administration, shall report quarterly on or before the last day of each  
 18 calendar quarter on its progress in implementing the education learning and  
 19 accountability fund to the president of the senate, the speaker of the house  
 20 of representatives, the chairpersons of the senate and house of  
 21 representatives appropriations committees, the director of the joint  
 22 legislative budget committee and the director of the governor's office of  
 23 strategic planning and budgeting.

24 Sec. 27. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

25		<u>2014-15</u>
26	FTE positions	63.1
27	Administration	\$ 1,805,700
28	Emergency management	861,900
29	Military affairs	2,542,900
30	Military installation fund deposit	<u>2,500,000</u>
31	Total appropriation - department of	
32	emergency and military affairs	\$ 7,710,500
33	Fund sources:	
34	State general fund	\$ 7,577,800
35	Emergency response fund	132,700

36 The department of emergency and military affairs appropriation includes  
 37 \$1,215,000 for service contracts. This amount is exempt from the provisions  
 38 of section 35-190, Arizona Revised Statutes, relating to lapsing of  
 39 appropriations, except that all fiscal year 2014-2015 monies remaining  
 40 unexpended and unencumbered on October 31, 2015 revert to the state general  
 41 fund.

1	Sec. 28. DEPARTMENT OF ENVIRONMENTAL QUALITY	
2		<u>2014-15</u>
3	FTE positions	322.0
4	Operating lump sum appropriation	\$ 46,214,500
5	Safe drinking water program	1,800,000
6	Emissions control contractor	
7	payment	<u>21,119,500</u>
8	Total appropriation - department of	
9	environmental quality	\$ 69,134,000
10	Fund sources:	
11	Air permits administration fund	\$ 7,143,900
12	Air quality fund	5,376,400
13	Emissions inspection fund	28,392,300
14	Hazardous waste management fund	1,742,700
15	Indirect cost recovery fund	13,308,500
16	Recycling fund	1,359,400
17	Solid waste fee fund	1,242,700
18	Underground storage tank	
19	revolving fund	22,000
20	Water quality fee fund	10,546,100

21 Before spending any monies from the safe water drinking program line  
22 item, the department shall submit an expenditure plan for review by the joint  
23 legislative budget committee.

24 Pursuant to section 49-282, Arizona Revised Statutes, the department of  
25 environmental quality shall submit a fiscal year 2015-2016 budget for the  
26 water quality assurance revolving fund before September 1, 2014, for review  
27 by the senate and house of representatives appropriations committees.

28 The department of environmental quality shall report annually on the  
29 progress of WQARF activities, including emergency response, priority site  
30 remediation, cost recovery activity, revenue and expenditure activity and  
31 other WQARF-funded program activity. This report must also include a budget  
32 for the WQARF program that is developed in consultation with the WQARF  
33 advisory board. The department shall submit the fiscal year 2014-2015 report  
34 to the joint legislative budget committee on or before September 1, 2014.  
35 This budget must specify the monies budgeted for each listed site during  
36 fiscal year 2014-2015. In addition, the department and the advisory board  
37 shall prepare and submit to the joint legislative budget committee, on or  
38 before October 2, 2014, a report in a table format summarizing the current  
39 progress on remediation of each listed site on the WQARF registry. The table  
40 must include the stage of remediation for each site at the end of fiscal year  
41 2013-2014, indicate whether the current stage of remediation is anticipated  
42 to be completed in fiscal year 2014-2015 and indicate the anticipated stage  
43 of remediation at each listed site at the end of fiscal year 2014-2015,  
44 assuming fiscal year 2014-2015 funding levels. The department and advisory

1 board may include other relevant information about the listed sites in the  
2 table.

3 All air permits administration revenues received by the department of  
4 environmental quality in excess of \$7,143,900 in fiscal year 2014-2015 are  
5 appropriated to the department. Before the expenditure of air permits  
6 administration receipts in excess of \$7,143,900 in fiscal year 2014-2015, the  
7 department of environmental quality shall report the intended use of the  
8 monies to the joint legislative budget committee.

9 All indirect cost recovery fund revenues received by the department of  
10 environmental quality in excess of \$13,308,500 in fiscal year 2014-2015 are  
11 appropriated to the department. Before the expenditure of indirect cost  
12 recovery fund receipts in excess of \$13,308,500 in fiscal year 2014-2015, the  
13 department of environmental quality shall report the intended use of the  
14 monies to the joint legislative budget committee.

15 Sec. 29. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

16			<u>2014-15</u>
17	FTE positions		4.0
18	Lump sum appropriation	\$	188,500
19	Fund sources:		
20	State general fund	\$	188,500

21 Sec. 30. STATE BOARD OF EQUALIZATION

22			<u>2014-15</u>
23	FTE positions		7.0
24	Lump sum appropriation	\$	639,500
25	Fund sources:		
26	State general fund	\$	639,500

27 Sec. 31. BOARD OF EXECUTIVE CLEMENCY

28			<u>2014-15</u>
29	FTE positions		14.0
30	Lump sum appropriation	\$	958,400
31	Fund sources:		
32	State general fund	\$	958,400

33 The board of executive clemency shall report to the staff directors of  
34 the joint legislative budget committee and the governor's office of strategic  
35 planning and budgeting on or before November 1, 2014 on the total number and  
36 types of cases it reviewed in fiscal year 2013-2014.

37 Sec. 32. ARIZONA EXPOSITION AND STATE FAIR BOARD

38			<u>2014-15</u>
39	FTE positions		184.0
40	Lump sum appropriation	\$	11,618,800
41	Fund sources:		
42	Arizona exposition and state		
43	fair fund	\$	11,618,800

1	Sec. 33. DEPARTMENT OF FINANCIAL INSTITUTIONS	
2		<u>2014-15</u>
3	FTE positions	60.1
4	Lump sum appropriation	\$ 4,266,200
5	Fund sources:	
6	State general fund	\$ 3,019,100
7	Financial services fund	1,247,100
8	The department of financial institutions shall assess and set fees to	
9	ensure that monies deposited in the state general fund will equal or exceed	
10	its expenditure from the state general fund.	
11	Sec. 34. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY	
12		<u>2014-15</u>
13	FTE positions	48.0
14	Operating lump sum appropriation	\$ 2,026,000
15	Fire school	<u>175,000</u>
16	Total appropriation - department of fire,	
17	building and life safety	\$ 2,201,000
18	Fund sources:	
19	State general fund	\$ 2,201,000
20	Sec. 35. STATE FORESTER	
21		<u>2014-15</u>
22	FTE positions	55.0
23	Operating lump sum appropriation	\$ 2,779,200
24	Environmental county grants	275,000
25	Inmate fire crews	695,700
26	Fire suppression	1,000,000
27	Hazardous vegetation removal	<u>1,350,000</u>
28	Total appropriation - state forester	\$ 6,099,900
29	Fund sources:	
30	State general fund	\$ 6,099,900
31	Sec. 36. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
32		<u>2014-15</u>
33	FTE positions	4.0
34	Lump sum appropriation	\$ 353,600
35	Fund sources:	
36	Board of funeral directors' and	
37	embalmers' fund	\$ 353,600
38	Sec. 37. ARIZONA GAME AND FISH DEPARTMENT	
39		<u>2014-15</u>
40	FTE positions	273.5
41	Operating lump sum appropriation	\$ 34,347,800
42	Pittman - Robertson/Dingell -	
43	Johnson act	3,808,000
44	Performance incentive pay program	346,100*

1	Lower Colorado multispecies	
2	conservation	350,000
3	Watercraft grant program	1,000,000
4	Watercraft safety education program	<u>250,000</u>
5	Total appropriation - game and fish	
6	department	\$ 40,101,900
7	Fund sources:	
8	Capital improvement fund	\$ 999,700
9	Game and fish fund	34,184,100
10	Wildlife endowment fund	16,000
11	Watercraft licensing fund	4,555,800
12	Game, non-game, fish and	
13	endangered species fund	346,300

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

18 The \$300,000 from the game and fish fund and \$46,100 from the  
 19 watercraft licensing fund in fiscal year 2014-2015 for the performance  
 20 incentive pay program line item must be used for personal services and  
 21 employee-related expenditures associated with the department's performance  
 22 incentive pay program. This appropriation is a continuing appropriation and  
 23 is exempt from the provisions of section 35-190, Arizona Revised Statutes,  
 24 relating to lapsing of appropriations.

25 Sec. 38. DEPARTMENT OF GAMING

26		<u>2014-15</u>
27	FTE positions	115.3
28	Operating lump sum appropriation	\$ 8,312,900
29	Additional operating expenses	800,400
30	Casino operations certification	2,104,000
31	Problem gambling	<u>2,279,700</u>
32	Total appropriation - department of gaming	\$ 13,497,000
33	Fund sources:	
34	Tribal-state compact fund	\$ 2,104,000
35	Arizona benefits fund	11,093,000
36	State lottery fund	300,000

37 The department of gaming shall report to the staff directors of the  
 38 joint legislative budget committee and the governor's office of strategic  
 39 planning and budgeting on or before December 1, 2014 on the expected amount  
 40 and purpose of expenditures from the additional operating expenses line item  
 41 for fiscal year 2014-2015. The report must include the projected line item  
 42 detail.

1	Sec. 39. ARIZONA GEOLOGICAL SURVEY	
2		<u>2014-15</u>
3	FTE positions	10.3
4	Lump sum appropriation	\$ 941,400
5	Fund sources:	
6	State general fund	\$ 941,400
7	Sec. 40. OFFICE OF THE GOVERNOR	
8		<u>2014-15</u>
9	Lump sum appropriation	\$ 6,926,000*
10	Fund sources:	
11	State general fund	\$ 6,926,000
12	Included in the lump sum appropriation of \$6,926,000 for fiscal year	
13	2014-2015 is \$10,000 for the purchase of mementos and items for visiting	
14	officials.	
15	Sec. 41. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING	
16		<u>2014-15</u>
17	FTE positions	22.0
18	Lump sum appropriation	\$ 1,993,200*
19	Fund sources:	
20	State general fund	\$ 1,993,200
21	Sec. 42. DEPARTMENT OF HEALTH SERVICES	
22		<u>2014-15</u>
23	FTE positions	1,176.7
24	Operating lump sum appropriation	\$ 66,389,200
25	<u>Public health/family health</u>	
26	Adult cystic fibrosis	105,200
27	AIDS reporting and surveillance	1,000,000
28	Alzheimer's disease research	2,375,000
29	Breast and cervical cancer and	
30	bone density screening	1,369,400
31	County tuberculosis provider care	
32	and control	590,700
33	Folic acid	400,000
34	High risk perinatal services	2,543,400
35	Newborn screening program	6,307,000
36	Nonrenal disease management	198,000
37	Nursing facility study	50,000
38	Poison control centers funding	990,000
39	Renal dental care and nutrition	
40	supplements	300,000
41	<u>Behavioral health</u>	
42	Arizona state hospital - operating	58,349,500
43	Arizona state hospital - restoration	
44	to competency	900,000

1	Arizona state hospital - sexually	
2	violent persons	9,728,700
3	Crisis services	16,391,100
4	Medicaid behavioral health -	
5	adult expansion	73,805,900
6	Medicaid behavioral health -	
7	comprehensive medical and	
8	dental program	182,521,300
9	Medicaid behavioral health -	
10	proposition 204	533,313,600
11	Medicaid behavioral health -	
12	traditional	819,169,600
13	Medicaid insurance premium	
14	payments	23,795,400
15	Medicare clawback payments	14,100,700
16	Mental health first aid	250,000
17	Non-medicaid seriously	
18	mentally ill services	78,846,900
19	Proposition 204 administration	6,446,700
20	Supported housing	<u>5,324,800</u>
21	Total appropriation and expenditure	
22	authority - department of	
23	health services	\$1,905,562,100
24	Fund sources:	
25	State general fund	\$ 613,163,100
26	Arizona state hospital fund	9,587,800
27	Arizona state hospital land	
28	earnings fund	650,000
29	Capital outlay stabilization fund	1,559,800
30	Child fatality review fund	94,800
31	Emergency medical services	
32	operating fund	5,121,400
33	Environmental laboratory licensure	
34	revolving fund	926,900
35	Federal child care and development	
36	fund block grant	879,400
37	Health services licensing fund	9,272,600
38	Indirect cost fund	8,940,400
39	Newborn screening program fund	6,738,900
40	Nursing care institution resident	
41	protection revolving fund	88,200
42	Substance abuse services fund	2,250,000
43	Tobacco tax and health care fund -	
44	health research account	1,000,000

1	Tobacco tax and health care fund -	
2	medically needy account	35,467,000
3	Vital records electronic systems	
4	fund	3,634,700
5	Federal medicaid authority	1,206,187,100

6       Public health/family health

7       The department of health services may use up to four per cent of the  
8 amounts appropriated for nonrenal disease management for the administrative  
9 costs to implement the program.

10       Of the \$2,375,000 for Alzheimer's disease research, \$1,000,000 of that  
11 amount is from the tobacco tax and health care fund - health research  
12 account.

13       Behavioral health

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

17       The department of health services shall report to the joint legislative  
18 budget committee within thirty days after the end of each calendar quarter on  
19 the progress in implementing the Arnold v. Sarn lawsuit settlement. The  
20 report must include at a minimum the department's progress toward meeting all  
21 criteria specified in the 2014 joint stipulation, including the development  
22 and estimated cost of additional behavioral health service capacity in  
23 Maricopa county as follows: supported housing services for 1,200 class  
24 members, supported employment services for 750 class members, 8 assertive  
25 community treatment teams and consumer operated services for 1,500 class  
26 members. The department shall also report the amounts, by fund source, it  
27 plans to use to pay for expanded services.

28       The amounts included in the proposition 204 administration and medicaid  
29 behavioral health - proposition 204 line items include all available sources  
30 of funding consistent with section 36-2901.01, subsection B, Arizona Revised  
31 Statutes.

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

36       The department shall report to the joint legislative budget committee  
37 on or before March 1 of each year on preliminary actuarial estimates of the  
38 capitation rate changes for the following fiscal year along with the reasons  
39 for the estimated changes. For any actuarial estimates that include a range,  
40 the total range from minimum to maximum may not be more than two per cent.  
41 Before implementation of any changes in capitation rates for any behavioral  
42 health line items, the department of health services shall report its  
43 expenditure plan for review by the joint legislative budget committee.  
44 Before the department implements any changes in policy affecting the amount,  
45 sufficiency, duration and scope of health care services and who may provide

1 services, the department shall prepare a fiscal impact analysis on the  
2 potential effects of this change on the following year's capitation rates.  
3 If the fiscal analysis demonstrates that these changes will result in  
4 additional state costs of \$500,000 or more for a given fiscal year, the  
5 department shall submit the policy changes for review by the joint  
6 legislative budget committee.

7 On or before January 6, 2015, the department of health services shall  
8 report to the director of the joint legislative budget committee the total  
9 amount of medicaid reconciliation payments and penalties received on or  
10 before that date since July 1, 2014. On June 30, 2015, the department shall  
11 report the same information for all of fiscal year 2014-2015.

12 It is the intent of the legislature that monies in the mental health  
13 first aid line item be spent to train mental health first aid instructors.

14 Departmentwide

15 The department of health services shall electronically forward a  
16 monthly report comparing total expenditures for the month and year-to-date as  
17 compared to prior year totals to the president of the senate, the speaker of  
18 the house of representatives, the chairpersons of the senate and house of  
19 representatives appropriations committees and the director of the joint  
20 legislative budget committee on or before the thirtieth of the following  
21 month. The report must include an estimate of potential shortfalls in  
22 programs, potential federal and other funds, such as the statewide assessment  
23 for indirect costs, that may be available to offset these shortfalls, and a  
24 plan, if necessary, for eliminating any shortfall without a supplemental  
25 appropriation and total expenditure authority of the month and year-to-date  
26 for federally matched services.

27 Sec. 43. ARIZONA HISTORICAL SOCIETY

	<u>2014-15</u>
28	
29 FTE positions	51.9
30 Operating lump sum appropriation	\$ 2,116,500
31 Arizona experience museum	428,300
32 Field services and grants	66,000
33 Papago park museum	<u>544,200</u>
34 Total appropriation - Arizona historical	
35 society	\$ 3,155,000
36 Fund sources:	
37 State general fund	\$ 3,155,000

38 On or before November 28, 2014, the Arizona historical society and the  
39 department of administration shall submit a joint report to the joint  
40 legislative budget committee on the options for use of the now-vacant mining  
41 and mineral museum at 1502 West Washington street. The options may include  
42 reopening the space as a museum, converting the space into offices or selling  
43 the facility. The report must address the costs of each option. The report  
44 must also identify the option recommended by the society and the option  
45 recommended by the department.

1	Sec. 44. PRESCOTT HISTORICAL SOCIETY		
2			<u>2014-15</u>
3	FTE positions		13.0
4	Lump sum appropriation	\$	826,000
5	Fund sources:		
6	State general fund	\$	826,000
7	Sec. 45. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS		
8			<u>2014-15</u>
9	FTE positions		1.0
10	Lump sum appropriation	\$	102,100
11	Fund sources:		
12	Board of homeopathic and		
13	integrated medicine		
14	examiners' fund	\$	102,100
15	Sec. 46. ARIZONA DEPARTMENT OF HOUSING		
16			<u>2014-15</u>
17	FTE positions		3.0
18	Lump sum appropriation	\$	313,800
19	Fund sources:		
20	Housing trust fund	\$	313,800
21	Sec. 47. ARIZONA COMMISSION OF INDIAN AFFAIRS		
22			<u>2014-15</u>
23	FTE positions		3.0
24	Lump sum appropriation	\$	56,900
25	Fund sources:		
26	State general fund	\$	56,900
27	Sec. 48. INDUSTRIAL COMMISSION OF ARIZONA		
28			<u>2014-15</u>
29	FTE positions		235.6
30	Lump sum appropriation	\$	19,989,500
31	Fund sources:		
32	Administrative fund	\$	19,989,500
33	Sec. 49. DEPARTMENT OF INSURANCE		
34			<u>2014-15</u>
35	FTE positions		90.5
36	Lump sum appropriation	\$	5,364,900
37	Fund sources:		
38	State general fund	\$	5,364,900
39	Sec. 50. ARIZONA JUDICIARY		
40			<u>2014-15</u>
41	<u>Supreme court</u>		
42	FTE positions		175.0
43	Operating lump sum appropriation	\$	14,072,600
44	Automation		11,344,600

1	Case and cash management system	3,326,500
2	County reimbursements	187,900
3	Court appointed special advocate	3,042,900
4	Domestic relations	655,400
5	Foster care review board	3,617,100
6	Commission on judicial conduct	522,300
7	Judicial nominations and	
8	performance review	428,400
9	Model court	447,600
10	State aid	<u>5,949,100</u>
11	Total appropriation - supreme court	\$ 43,594,400
12	Fund sources:	
13	State general fund	\$ 16,020,000
14	Confidential intermediary and	
15	fiduciary fund	488,000
16	Court appointed special advocate	
17	fund	2,940,900
18	Criminal justice enhancement fund	3,004,500
19	Defensive driving school fund	4,194,400
20	Judicial collection enhancement	
21	fund	14,002,000
22	State aid to the courts fund	2,944,600
23	On or before September 1, 2014, the supreme court shall report to the	
24	joint legislative budget committee on current and future automation projects	
25	coordinated by the administrative office of the courts. The report must	
26	include a list of court automation projects receiving or anticipated to	
27	receive state monies in the current or next two fiscal years as well as a	
28	description of each project, the number of FTE positions, the entities	
29	involved and the goals and anticipated results for each automation project.	
30	The report must be submitted in one summary document. The report must	
31	indicate each project's total multiyear cost by fund source and budget line	
32	item, including any prior year, current year and future year expenditures.	
33	Included in the appropriation for the supreme court program is \$1,000	
34	for the purchase of mementos and items for visiting officials.	
35	Of the \$187,900 appropriated for county reimbursements, state grand	
36	jury is limited to \$97,900 and capital postconviction relief is limited to	
37	\$90,000.	
38	<u>Court of appeals</u>	
39	FTE positions	136.8
40	Division I	\$ 10,065,400
41	Division II	<u>\$ 4,350,900</u>
42	Total appropriation - court of appeals	\$ 14,416,300
43	Fund sources:	
44	State general fund	\$ 14,416,300

1 Of the 136.8 FTE positions for fiscal year 2014-2015, 98.3 FTE  
 2 positions are for Division I and 38.5 FTE positions are for Division II.

3 Superior court

4	FTE positions	137.5
5	Judges compensation	\$ 7,682,500
6	Adult standard probation	17,658,900
7	Adult intensive probation	12,417,500
8	Community punishment	2,310,100
9	Interstate compact	748,500
10	Drug court	1,013,600
11	Juvenile standard probation	4,756,200
12	Juvenile intensive probation	9,175,600
13	Juvenile treatment services	22,341,400
14	Juvenile family counseling	660,400
15	Juvenile crime reduction	5,192,100
16	Juvenile diversion consequences	9,024,900
17	Special water master	<u>220,000</u>
18	Total appropriation - superior court	\$ 93,201,700

19 Fund sources:

20	State general fund	\$ 79,670,300
21	Criminal justice enhancement fund	7,002,200
22	Drug treatment and education fund	500,000
23	Judicial collection enhancement	
24	fund	6,029,200

25 Of the 137.5 FTE positions, 82 FTE positions represent superior court  
 26 judges in counties with a population of less than two million persons.  
 27 One-half of their salaries are provided by state general fund appropriations  
 28 pursuant to section 12-128, Arizona Revised Statutes. This is not meant to  
 29 limit the counties' ability to add judges pursuant to section 12-121, Arizona  
 30 Revised Statutes.

31 Up to 4.6 per cent of the amounts appropriated for juvenile treatment  
 32 services and juvenile diversion consequences may be retained and expended by  
 33 the supreme court to administer the programs established pursuant to section  
 34 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The  
 35 remaining portion of the juvenile treatment services and juvenile diversion  
 36 consequences appropriations must be deposited in the juvenile probation  
 37 services fund established by section 8-322, Arizona Revised Statutes.

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

1 On or before November 1, 2014, the administrative office of the courts  
2 shall report to the joint legislative budget committee the fiscal year  
3 2013-2014 actual, fiscal year 2014-2015 estimated and fiscal year 2015-2016  
4 requested amounts for the following:

5 1. On a county-by-county basis, the number of authorized and filled  
6 case carrying probation positions and non-case carrying positions,  
7 distinguishing between adult standard, adult intensive, juvenile standard and  
8 juvenile intensive. The report must indicate the level of state probation  
9 funding, other state funding, county funding and probation surcharge funding  
10 for those positions.

11 2. Total receipts and expenditures by county and fund source for the  
12 adult standard, adult intensive, juvenile standard and juvenile intensive  
13 probation line items, including the amount of personal services expended from  
14 each revenue source of each account.

15 3. The amount of monies from the adult standard, adult intensive,  
16 juvenile standard and juvenile intensive probation line items that the office  
17 does not distribute as direct aid to counties. The report must delineate how  
18 the office expends these monies that are not distributed as direct aid to  
19 counties.

20 Sec. 51. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2014-15</u>
FTE positions	738.5
Lump sum appropriation	\$ 47,748,100
Fund sources:	
State general fund	\$ 43,822,700
State charitable, penal and reformatory institutions land fund	1,098,600
Criminal justice enhancement fund	530,600
State education fund for committed youth	2,296,200

32 Twenty-five per cent of land earnings and interest from the state  
33 charitable, penal and reformatory institutions land fund must be distributed  
34 to the department of juvenile corrections, in compliance with section 25 of  
35 the enabling act and the Constitution of Arizona, to be used for the support  
36 of state juvenile institutions and reformatories.

37 Sec. 52. STATE LAND DEPARTMENT

	<u>2014-15</u>
FTE positions	130.7
Operating lump sum appropriation	\$ 15,104,600
Natural resource conservation districts	650,000
CAP user fees	673,600

1	Due diligence fund	500,000
2	Scanning and digitizing trust	
3	land records	1,200,000
4	Northern Arizona landing strip	<u>10,000</u>
5	Total appropriation - state land department	\$ 18,138,200
6	Fund sources:	
7	State general fund	\$ 12,515,700
8	Environmental special plate fund	260,000
9	Due diligence fund	500,000
10	Trust land management fund	4,862,500

11 The appropriation includes \$673,600 for central Arizona project user  
 12 fees in fiscal year 2014-2015. For fiscal year 2014-2015, from  
 13 municipalities that assume their allocation of central Arizona project water  
 14 for every dollar received as reimbursement to the state for past central  
 15 Arizona water conservation district payments, one dollar reverts to the state  
 16 general fund in the year that the reimbursement is collected.

17 Of the amount appropriated for natural resource conservation districts  
 18 in fiscal year 2014-2015, \$30,000 must be used to provide grants to natural  
 19 resource conservation districts environmental education centers.

20 Sec. 53. LEGISLATURE

21 2014-15

22 Senate

23 Lump sum appropriation \$ 8,283,800\*

24 Fund sources:

25 State general fund \$ 8,283,800

26 Included in the lump sum appropriation of \$8,283,800 for fiscal year  
 27 2014-2015 is \$1,000 for the purchase of mementos and items for visiting  
 28 officials.

29 House of representatives

30 Lump sum appropriation \$ 13,372,200\*

31 Fund sources:

32 State general fund \$ 13,372,200

33 Included in the lump sum appropriation of \$13,372,200 for fiscal year  
 34 2014-2015 is \$1,000 for the purchase of mementos and items for visiting  
 35 officials.

36 Legislative council

37 FTE positions 48.0

38 Operating lump sum appropriation \$ 7,418,000

39 Ombudsman-citizens aide office 828,500

40 Total appropriation - legislative  
 41 council \$ 8,246,500\*

42 Fund sources:

43 State general fund \$ 8,246,500

1 Dues for the council of state governments may be expended only on an  
2 affirmative vote of the legislative council.

3 Joint legislative budget committee

4 FTE positions 29.0  
5 Lump sum appropriation \$ 2,492,000\*

6 Fund sources:

7 State general fund \$ 2,492,000

8 Auditor general

9 FTE positions 184.8  
10 Lump sum appropriation \$ 17,989,700\*

11 Fund sources:

12 State general fund \$ 17,989,700

13 Included in the lump sum appropriation is funding to pay state rent at  
14 the statewide rate.

15 Sec. 54. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

16 2014-15

17 FTE positions 45.2

18 Operating lump sum appropriation \$ 2,939,100

19 Licensing replacement system 626,700

20 Total appropriation - department of  
21 liquor licenses and control \$ 3,565,800

22 Fund sources:

23 Liquor licenses fund \$ 3,565,800

24 Sec. 55. ARIZONA STATE LOTTERY COMMISSION

25 2014-15

26 FTE positions 98.8

27 Operating lump sum appropriation \$ 8,418,700

28 Advertising 15,500,000

29 Total appropriation - Arizona state  
30 lottery commission \$ 23,918,700

31 Fund source:

32 State lottery fund \$ 23,918,700

33 An amount equal to twenty per cent of tab ticket sales is appropriated  
34 for payment of sales commissions to charitable organizations. This amount is  
35 currently estimated to be \$852,300 in fiscal year 2014-2015.

36 An amount equal to 3.6 per cent of actual instant ticket sales is  
37 appropriated for the printing of instant tickets or for contractual  
38 obligations concerning instant ticket distribution. This amount is currently  
39 estimated to be \$18,571,300 in fiscal year 2014-2015.

40 An amount equal to a percentage of actual online game sales as  
41 determined by contract is appropriated for payment of online vendor fees.  
42 This amount is currently estimated to be \$9,399,400, or 3.7 per cent of  
43 actual online ticket sales in fiscal year 2014-2015.

1 An amount equal to 6.5 per cent of gross lottery game sales, less tab  
 2 tickets, is appropriated for payment of sales commissions to ticket  
 3 retailers. An additional amount not to exceed 0.5 per cent of gross lottery  
 4 game sales is appropriated for payment of sales commissions to ticket  
 5 retailers. The combined amount is currently estimated to be 6.7 per cent of  
 6 total ticket sales, or \$51,298,200 in fiscal year 2014-2015.

7 Sec. 56. BOARD OF MASSAGE THERAPY

	<u>2014-15</u>
8 FTE positions	5.0
9 Lump sum appropriation	\$ 457,200
10 Fund sources:	
11 Board of massage therapy fund	\$ 457,200

12 Sec. 57. ARIZONA MEDICAL BOARD

	<u>2014-15</u>
13 FTE positions	58.5
14 Lump sum appropriation	\$ 5,738,700
15 Fund sources:	
16 Arizona medical board fund	\$ 5,738,700

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

21 Sec. 58. STATE MINE INSPECTOR

	<u>2014-15</u>
22 FTE positions	14.0
23 Operating lump sum appropriation	\$ 1,028,600
24 Abandoned mines	194,700
25 Aggregate mined land reclamation	<u>112,500</u>
26 Total appropriation - state mine inspector	\$ 1,335,800
27 Fund sources:	
28 State general fund	\$ 1,223,300
29 Aggregate mining reclamation fund	112,500

30 All aggregate mining reclamation fund receipts received by the state  
 31 mine inspector in excess of \$112,500 in fiscal year 2014-2015 are  
 32 appropriated to the aggregate mined land reclamation line item. Before the  
 33 expenditure of any aggregate mining reclamation fund receipts in excess of  
 34 \$112,500 in fiscal year 2014-2015, the state mine inspector shall report the  
 35 intended use of the monies to the joint legislative budget committee.

36 Sec. 59. NATUROPATHIC PHYSICIANS MEDICAL BOARD

	<u>2014-15</u>
37 FTE positions	2.0
38 Lump sum appropriation	\$ 158,900
39 Fund sources:	
40 Naturopathic physicians medical	
41 board fund	\$ 158,900

1	Sec. 60. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION		
2			<u>2014-15</u>
3	FTE positions		2.0
4	Lump sum appropriation	\$	129,200
5	Fund sources:		
6	State general fund	\$	129,200
7	Sec. 61. ARIZONA STATE BOARD OF NURSING		
8			<u>2014-15</u>
9	FTE positions		42.2
10	Lump sum appropriation	\$	4,270,800
11	Fund sources:		
12	Board of nursing fund	\$	4,270,800
13	Sec. 62. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND		
14	ASSISTED LIVING FACILITY MANAGERS		
15			<u>2014-15</u>
16	FTE positions		6.0
17	Lump sum appropriation	\$	420,200
18	Fund sources:		
19	Nursing care institution		
20	administrators' licensing and		
21	assisted living facility		
22	managers' certification fund	\$	420,200
23	Sec. 63. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
24			<u>2014-15</u>
25	FTE positions		1.5
26	Lump sum appropriation	\$	184,100
27	Fund sources:		
28	Occupational therapy fund	\$	184,100
29	Sec. 64. STATE BOARD OF DISPENSING OPTICIANS		
30			<u>2014-15</u>
31	FTE positions		1.0
32	Lump sum appropriation	\$	135,800
33	Fund sources:		
34	Board of dispensing opticians fund	\$	135,800
35	Sec. 65. STATE BOARD OF OPTOMETRY		
36			<u>2014-15</u>
37	FTE positions		2.0
38	Lump sum appropriation	\$	206,000
39	Fund sources:		
40	Board of optometry fund	\$	206,000

1	Sec. 66. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY	
2		<u>2014-15</u>
3	FTE positions	6.7
4	Lump sum appropriation	\$ 801,500
5	Fund sources:	
6	Board of osteopathic examiners fund	\$ 801,500
7	Sec. 67. ARIZONA STATE PARKS BOARD	
8		<u>2014-15</u>
9	FTE positions	163.0
10	Operating lump sum appropriation	\$ 10,592,400
11	Kartchner caverns state park	<u>2,228,700</u>
12	Total appropriation - Arizona state parks	
13	board	\$ 12,821,100
14	Fund sources:	
15	State parks revenue fund	\$ 12,821,100
16	All other operating expenditures include \$26,000 from the state parks	
17	revenue fund for Fool Hollow state park revenue sharing. If receipts to Fool	
18	Hollow exceed \$260,000 in fiscal year 2014-2015, an additional ten per cent	
19	of this increase of Fool Hollow receipts is appropriated from the state parks	
20	revenue fund to meet the revenue sharing agreement with the city of Show Low	
21	and the United States forest service.	
22	Sec. 68. STATE PERSONNEL BOARD	
23		<u>2014-15</u>
24	FTE positions	3.0
25	Lump sum appropriation	\$ 374,900
26	Fund sources:	
27	Personnel division fund -	
28	personnel board subaccount	\$ 374,900
29	Sec. 69. OFFICE OF PEST MANAGEMENT	
30		<u>2014-15</u>
31	FTE positions	30.0
32	Lump sum appropriation	\$ 1,700,000
33	Fund sources:	
34	Pest management fund	\$ 1,700,000
35	Sec. 70. ARIZONA STATE BOARD OF PHARMACY	
36		<u>2014-15</u>
37	FTE positions	18.0
38	Operating lump sum appropriation	\$ 2,017,000
39	One-time funding leave payout	<u>36,300*</u>
40	Total appropriation - Arizona state board	
41	of pharmacy	\$ 2,053,300
42	Fund sources:	
43	Arizona state board of pharmacy	
44	fund	\$ 2,053,300

1	Sec. 71. BOARD OF PHYSICAL THERAPY	
2		<u>2014-15</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 407,900
5	Fund sources:	
6	Board of physical therapy fund	\$ 407,900
7	Sec. 72. ARIZONA PIONEERS' HOME	
8		<u>2014-15</u>
9	FTE positions	106.3
10	Operating lump sum appropriation	\$ 6,059,400
11	Prescription drugs	<u>200,000</u>
12	Total appropriation - pioneers' home	\$ 6,259,400
13	Fund sources:	
14	State general fund	\$ 1,602,800
15	Miners' hospital fund	2,079,400
16	State charitable fund	2,577,200
17	Earnings on state lands and interest on the investment of the permanent	
18	land funds are appropriated for the Arizona pioneers' home and the state	
19	hospital for disabled miners in compliance with the enabling act and the	
20	Constitution of Arizona.	
21	Sec. 73. STATE BOARD OF PODIATRY EXAMINERS	
22		<u>2014-15</u>
23	FTE positions	1.0
24	Lump sum appropriation	\$ 147,300
25	Fund sources:	
26	Podiatry fund	\$ 147,300
27	Sec. 74. COMMISSION FOR POSTSECONDARY EDUCATION	
28		<u>2014-15</u>
29	FTE positions	5.0
30	Operating lump sum appropriation	\$ 184,800
31	Leveraging educational assistance	
32	partnership (LEAP)	2,319,500
33	Arizona college and career guide	21,300
34	Math and science teacher	
35	initiative	176,000
36	Arizona minority educational	
37	policy analysis center	100,000
38	Twelve plus partnership	<u>130,500</u>
39	Total appropriation - commission for	
40	postsecondary education	\$ 2,932,100
41	Fund sources:	
42	State general fund	\$ 1,396,800
43	Postsecondary education fund	1,535,300

1 Each participating institution, public or private, in order to be  
 2 eligible to receive state matching funds under the leveraging educational  
 3 assistance partnership for grants to students, shall provide an amount of  
 4 institutional matching funds that equals the amount of funds provided by the  
 5 state to the institution for the leveraging educational assistance  
 6 partnership. Administrative expenses incurred by the commission for  
 7 postsecondary education must be paid from institutional matching funds and  
 8 may not exceed twelve per cent of the funds in fiscal year 2014-2015.

9 Any unencumbered balance remaining in the postsecondary education fund  
 10 on June 30, 2014, and all grant monies and other revenues received by the  
 11 commission for postsecondary education, when paid into the state treasury,  
 12 are appropriated for the explicit purposes designated by line items and for  
 13 additional responsibilities prescribed in sections 15-1851 and 15-1852,  
 14 Arizona Revised Statutes.

15 The appropriations for the Arizona college and career guide, Arizona  
 16 minority educational policy analysis center and twelve plus partnership are  
 17 estimates representing all monies distributed to this fund, including balance  
 18 forward, revenue and transfers, during fiscal year 2014-2015. The  
 19 appropriations shall be adjusted as necessary to reflect actual final  
 20 receipts credited to the postsecondary education fund.

21	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
22		<u>2014-15</u>
23	FTE positions	4.0
24	Lump sum appropriation	\$ 395,600
25	Fund sources:	
26	Board for private postsecondary	
27	education fund	\$ 395,600
28	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
29		<u>2014-15</u>
30	FTE positions	4.0
31	Lump sum appropriation	\$ 409,800
32	Fund sources:	
33	Board of psychologist examiners	
34	fund	\$ 409,800
35	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
36		<u>2014-15</u>
37	FTE positions	1,907.7
38	Operating lump sum appropriation	\$214,014,900
39	GIITEM	21,304,700
40	GIITEM subaccount	2,390,000
41	Motor vehicle fuel	3,935,500
42	Public safety equipment	<u>2,890,000</u>
43	Total appropriation - department of public	
44	safety	\$244,535,100

1	Fund sources:	
2	State general fund	\$ 89,321,400
3	Arizona highway user revenue fund	89,247,100
4	State highway fund	6,743,800
5	Arizona highway patrol fund	19,020,900
6	Automation operations fund	296,200
7	State aid to indigent defense fund	700,000
8	Criminal justice enhancement fund	2,872,500
9	Safety enforcement and transportation	
10	infrastructure fund	1,566,300
11	Crime laboratory assessment fund	871,100
12	Crime laboratory operations fund	14,719,800
13	Arizona deoxyribonucleic acid	
14	identification system fund	6,321,200
15	Arizona automated fingerprint	
16	identification system fund	2,909,700
17	Gang and immigration intelligence	
18	team enforcement mission border	
19	security and law enforcement	
20	subaccount	2,390,000
21	Motorcycle safety fund	205,000
22	Risk management revolving fund	1,233,700
23	Parity compensation fund	1,950,000
24	Public safety equipment fund	2,890,000
25	Concealed weapons permit fund	1,276,400

26 Of the \$21,304,700 appropriated to GIITEM, \$9,327,600 must be used for  
27 one hundred department of public safety GIITEM personnel. The additional  
28 staff must include at least fifty sworn department of public safety positions  
29 to be used for immigration enforcement and border security and fifty  
30 department of public safety positions to assist GIITEM in various efforts,  
31 including:

32 1. Strict enforcement of all federal laws relating to illegal aliens  
33 and arresting illegal aliens.

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

36 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,  
37 strict enforcement of Arizona's SB 1070, Arizona's "Support Our Law  
38 Enforcement and Safe Neighborhoods Act", investigating crimes of identity  
39 theft in the context of hiring illegal aliens and the unlawful entry into the  
40 country.

41 4. Taking strict enforcement action.

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

6 Of the \$21,304,700 appropriated to GIITEM, only \$2,603,400 is deposited  
7 in the GIITEM fund established by section 41-1724, Arizona Revised Statutes,  
8 and is appropriated for the purposes of that section. The \$2,603,400 is  
9 exempt from the provisions of section 35-190, Arizona Revised Statutes,  
10 relating to the lapsing of appropriations. This state recognizes that states  
11 have inherent authority to arrest a person for any immigration violation.

12 Any monies remaining in the department of public safety joint account  
13 on June 30, 2015 revert to the funds from which they were appropriated. The  
14 reverted monies must be returned in direct proportion to the amounts  
15 appropriated.

16 Sec. 78. ARIZONA DEPARTMENT OF RACING

	<u>2014-15</u>
17 FTE positions	40.5
18 Operating lump sum appropriation	\$ 2,895,900
19 Arizona breeders' award	250,000
20 County fairs livestock and	
21 agricultural promotion	<u>1,779,500</u>
22 Total appropriation - department of	
23 racing	\$ 4,925,400
24 Fund sources:	
25 State general fund	\$ 2,029,500
26 Racing regulation fund	2,895,900

27 The amount appropriated to the county fairs livestock and agricultural  
28 promotion line item is for deposit in the county fairs livestock and  
29 agricultural promotion fund administered by the office of the governor.

30 Sec. 79. RADIATION REGULATORY AGENCY

	<u>2014-15</u>
31 FTE positions	29.0
32 Lump sum appropriation	\$ 1,626,200
33 Fund sources:	
34 State general fund	\$ 773,300
35 State radiologic technologist	
36 certification fund	273,300
37 Radiation regulatory fee fund	579,600

38 Sec. 80. STATE REAL ESTATE DEPARTMENT

	<u>2014-15</u>
39 FTE positions	37.0
40 Lump sum appropriation	\$ 2,988,700
41 Fund sources:	
42 State general fund	\$ 2,988,700

1	Sec. 81. RESIDENTIAL UTILITY CONSUMER OFFICE	
2		<u>2014-15</u>
3	FTE positions	11.0
4	Operating lump sum appropriation	\$ 1,189,400
5	Professional witnesses	<u>145,000*</u>
6	Total appropriation - residential utility	
7	consumer office	\$ 1,334,400
8	Fund sources:	
9	Residential utility consumer	
10	office revolving fund	\$ 1,334,400
11	Sec. 82. BOARD OF RESPIRATORY CARE EXAMINERS	
12		<u>2014-15</u>
13	FTE positions	4.0
14	Lump sum appropriation	\$ 297,100
15	Fund sources:	
16	Board of respiratory care	
17	examiners fund	\$ 297,100
18	Sec. 83. ARIZONA STATE RETIREMENT SYSTEM	
19		<u>2014-15</u>
20	FTE positions	246.9
21	Operating lump sum appropriation	\$ 24,802,500
22	Automation upgrades	<u>4,484,500*</u>
23	Total appropriation - state	
24	retirement system	\$ 29,287,000
25	Fund sources:	
26	Arizona state retirement system	
27	administration account	\$ 26,487,000
28	Long-term disability trust fund	
29	administration account	2,800,000
30	Sec. 84. DEPARTMENT OF REVENUE	
31		<u>2014-15</u>
32	FTE positions	880.8
33	Operating lump sum appropriation	\$ 64,809,500
34	BRITS operational support	7,602,500
35	Unclaimed property administration	
36	and audit	<u>1,218,500</u>
37	Total appropriation - department of revenue	\$ 73,630,500
38	Fund sources:	
39	State general fund	\$ 48,125,300
40	DOR administrative fund	24,428,700
41	Liability setoff revolving fund	397,200
42	Tobacco tax and health care fund	679,300

1           If the total dollar value of properties retained by unclaimed property  
2 contract auditors exceeds \$1,218,500, the excess amount is transferred from  
3 the state general fund to the DOR administrative fund and appropriated to the  
4 department for contract auditor fees.

5           The department shall report the department's general fund revenue  
6 enforcement goals for fiscal year 2014-2015 to the joint legislative budget  
7 committee on or before September 30, 2014. The department shall provide an  
8 annual progress report to the joint legislative budget committee as to the  
9 effectiveness of the department's overall enforcement and collections program  
10 for fiscal year 2014-2015 on or before September 30, 2015. The reports must  
11 include a comparison of projected and actual general fund revenue enforcement  
12 collections for fiscal year 2014-2015.

13 Sec. 85. SCHOOL FACILITIES BOARD

	<u>2014-15</u>
14	
15	FTE positions 17.0
16	Operating lump sum appropriation \$ 1,676,500
17	New school facilities debt service 170,155,200
18	Building renewal grants 16,667,900
19	New school facilities <u>858,200</u>
20	Total appropriation - school facilities
21	board \$189,357,800
22	Fund sources:
23	State general fund \$189,357,800

24 Pursuant to section 35-142.01, Arizona Revised Statutes, any  
25 reimbursement received by or allocated to the school facilities board under  
26 the federal qualified school construction bond program in fiscal year  
27 2014-2015 must be deposited in or revert to the state general fund.

28 Sec. 86. DEPARTMENT OF STATE - SECRETARY OF STATE

	<u>2014-15</u>
29	
30	FTE positions 141.1
31	Operating lump sum appropriation \$ 10,596,500
32	Election services 4,431,600
33	Help America vote act 2,941,000
34	Library grants-in-aid 651,400*
35	Statewide radio reading service
36	for the blind <u>97,000</u>
37	Total appropriation - secretary of state \$ 18,717,500
38	Fund sources:
39	State general fund \$ 15,035,500
40	Election systems improvement fund 2,941,000
41	Records services fund 741,000

1 The secretary of state shall report to the joint legislative budget  
 2 committee and the governor's office of strategic planning and budgeting on or  
 3 before December 31, 2014 the actual amount and purpose of expenditures from  
 4 the election systems improvement fund in fiscal year 2013-2014 and the  
 5 expected amount and purpose of expenditures from the fund for fiscal year  
 6 2014-2015.

7 Any transfer to or from the amount appropriated for the election  
 8 services line item requires review by the joint legislative budget committee.

9 The fiscal year 2014-2015 appropriation from the election systems  
 10 improvement fund for HAVA is available for use pursuant to section 35-143.01,  
 11 subsection C, Arizona Revised Statutes, and is exempt from the provisions of  
 12 section 35-190, Arizona Revised Statutes, relating to lapsing of  
 13 appropriations, until June 30, 2016.

14 Included in the operating lump sum appropriation of \$10,596,500 for  
 15 fiscal year 2014-2015 is \$5,000 for the purchase of mementos and items for  
 16 visiting officials.

17 Sec. 87. STATE BOARDS' OFFICE

		<u>2014-15</u>
18		
19	FTE positions	3.0
20	Lump sum appropriation	\$ 231,000
21	Fund sources:	
22	Special services revolving fund	\$ 231,000

23 Sec. 88. STATE BOARD OF TAX APPEALS

		<u>2014-15</u>
24		
25	FTE positions	4.0
26	Lump sum appropriation	\$ 264,700
27	Fund sources:	
28	State general fund	\$ 264,700

29 Sec. 89. STATE BOARD OF TECHNICAL REGISTRATION

		<u>2014-15</u>
30		
31	FTE positions	25.0
32	Lump sum appropriation	\$ 2,119,500
33	Fund sources:	
34	Technical registration fund	\$ 2,119,500

35 Sec. 90. OFFICE OF TOURISM

		<u>2014-15</u>
36		
37	FTE positions	28.0
38	Tourism fund deposit	\$ 7,102,600
39	Arizona promotion	<u>2,000,000</u>
40	Total appropriation - office of	
41	tourism	\$ 9,102,600
42	Fund sources:	
43	State general fund	\$ 9,102,600

1	Sec. 91. DEPARTMENT OF TRANSPORTATION	
2		<u>2014-15</u>
3	FTE positions	4,548.0
4	Operating lump sum appropriation	\$206,952,600
5	Attorney general legal services	2,895,600
6	Highway maintenance	136,178,400
7	Vehicles and heavy equipment	18,501,500
8	Fraud investigation	773,300
9	New third party funding	<u>971,100</u>
10	Total appropriation - department of	
11	transportation	\$366,272,500
12	Fund sources:	
13	State general fund	\$ 50,400
14	Air quality fund	74,500
15	Driving under the influence	
16	abatement fund	153,800
17	Arizona highway user revenue fund	651,500
18	Motor vehicle liability	
19	insurance enforcement fund	1,086,700
20	Safety enforcement and	
21	transportation infrastructure	
22	fund	1,880,500
23	State aviation fund	1,624,400
24	State highway fund	340,785,100
25	Transportation department	
26	equipment fund	18,501,500
27	Vehicle inspection and title	
28	enforcement fund	1,464,100

29 It is the intent of the legislature that the department not include any  
30 administrative overhead expenditures in duplicate driver license fees charged  
31 to the public.

32 Of the total amount appropriated, \$136,178,400 in fiscal year 2014-2015  
33 for highway maintenance is exempt from the provisions of section 35-190,  
34 Arizona Revised Statutes, relating to lapsing of appropriations, except that  
35 all unexpended and unencumbered monies of the appropriation revert to their  
36 fund of origin, either the state highway fund or the safety enforcement and  
37 transportation infrastructure fund, on August 31, 2015.

38 The department of transportation shall submit an annual report to the  
39 joint legislative budget committee on progress in improving motor vehicle  
40 division wait times and vehicle registration renewal by mail turnaround times  
41 in a format similar to prior years. The report is due on July 31, 2015 for  
42 fiscal year 2014-2015.

1 Of the \$366,272,500 appropriation to the department of transportation,  
 2 the department of transportation shall pay \$16,773,800 in fiscal year  
 3 2014-2015 from all funds to the department of administration for its risk  
 4 management payment.

5 Sec. 92. STATE TREASURER

	<u>2014-15</u>
6	
7 FTE positions	30.4
8 Operating lump sum appropriation	\$ 2,820,900
9 Justice of the peace salaries	1,205,100
10 Law enforcement/boating safety	
11 fund grants	<u>2,183,800</u>
12 Total appropriation - state treasurer	\$ 6,209,800
13 Fund sources:	
14 State general fund	\$ 1,205,100
15 Law enforcement and boating	
16 safety fund	2,183,800
17 State treasurer empowerment	
18 scholarship account fund	40,000
19 State treasurer's operating fund	2,583,400
20 State treasurer's management fund	197,500

21 Sec. 93. ARIZONA BOARD OF REGENTS

	<u>2014-15</u>
22	
23 FTE positions	25.9
24 Operating lump sum appropriation	\$ 2,349,600
25 Arizona teachers incentive program	90,000
26 Arizona transfer articulation	
27 support system	213,700
28 Student financial assistance	10,041,200
29 Western interstate commission	
30 office	131,000
31 Performance funding	5,000,000
32 WICHE student subsidies	<u>4,100,000</u>
33 Total appropriation - Arizona board of	
34 regents	\$ 21,925,500
35 Fund sources:	
36 State general fund	\$ 21,925,500

37 The Arizona board of regents shall allocate the \$5,000,000  
 38 appropriation for performance funding to the three universities under its  
 39 jurisdiction in accordance with a performance funding model to be adopted by  
 40 the board that is substantially similar to what the board used in allocating  
 41 the performance funding appropriation for fiscal year 2013-2014.

1 It is the intent of the legislature that the Arizona board of regents  
2 adopt a performance funding model and report to the joint legislative budget  
3 committee the final allocation of the \$5,000,000 performance funding lump sum  
4 appropriation on or before July 1, 2014. The formula must be consistent with  
5 board objectives previously adopted in the board's enterprise plan. The  
6 performance funding model must use select performance metrics that include,  
7 at a minimum, the increase in degrees awarded, the increase in completed  
8 student credit hours and the increase in externally generated research and  
9 public service funding. The formula may give added weight to degrees related  
10 to science, technology, engineering and mathematics, as well as other  
11 high-value degrees that are in short supply or are essential to the state's  
12 long-term economic development strategy.

13 It is further the intent of the legislature that the Arizona board of  
14 regents use the adopted performance funding model in developing and  
15 submitting future budget requests for the universities under its  
16 jurisdiction, and that the legislature use the performance funding model in  
17 the development of future fiscal year appropriations for the universities  
18 under the jurisdiction of the Arizona board of regents.

19 Within ten days after the acceptance of the universities' semiannual  
20 all funds budget reports, the Arizona board of regents shall submit an  
21 expenditure plan for review to the joint legislative budget committee. The  
22 expenditure plan must include any tuition revenue amounts that are greater  
23 than the appropriated amounts and all retained tuition and fee revenue  
24 expenditures for the current fiscal year. The additional revenue expenditure  
25 plan must provide as much detail as the university budget requests.

26 Sec. 94. ARIZONA STATE UNIVERSITY - TEMPE AND DOWNTOWN PHOENIX CAMPUSES

	<u>2014-15</u>
27	
28 FTE positions	6,142.9
29 Operating lump sum appropriation	\$504,298,100
30 Biomedical informatics	1,955,200
31 Parity funding	38,843,100
32 Downtown Phoenix campus	<u>110,783,800</u>
33 Total appropriation - Arizona state	
34 university - Tempe and downtown	
35 Phoenix campuses	\$655,880,200
36 Fund sources:	
37 State general fund	\$202,811,500
38 University collections fund	453,068,700

39 It is the intent of the legislature that the general fund base funding  
40 for Arizona state university - Tempe and downtown Phoenix campuses is  
41 \$277,571,900. This appropriation includes a deferral of \$74,760,400 from  
42 fiscal year 2014-2015 to fiscal year 2015-2016. This deferral shall be paid  
43 as required in this act.

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

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

5 The appropriated monies may not be used by the Arizona state university  
6 college of law legal clinic for any lawsuits involving inmates of the state  
7 department of corrections in which the state is the adverse party.

8 Any unencumbered balances remaining in the collections account on June  
9 30, 2014 and all collections received by the university during the fiscal  
10 year, when paid into the state treasury, are appropriated for operating  
11 expenditures, capital outlay and fixed charges. Earnings on state lands and  
12 interest on the investment of the permanent land funds are appropriated in  
13 compliance with the enabling act and the Constitution of Arizona. No part of  
14 this appropriation may be expended for supplemental life insurance or  
15 supplemental retirement. Receipts from summer session, when deposited in the  
16 state treasury, together with any unencumbered balance in the summer session  
17 account, are appropriated for the purpose of conducting summer sessions but  
18 are excluded from the amounts enumerated above.

19 It is the intent of the legislature to appropriate funding to Arizona  
20 state university and northern Arizona university with the goal of achieving  
21 per student funding parity between the universities under the jurisdiction of  
22 the Arizona board of regents no later than the beginning of fiscal year  
23 2016-2017.

24 The sum of \$2,500,000 in fiscal year 2015-2016 and the sum of  
25 \$2,500,000 in fiscal year 2016-2017 are appropriated from the state general  
26 fund to Arizona state university - Tempe and downtown Phoenix campuses for  
27 operating expenditures.

28 Sec. 95. ARIZONA STATE UNIVERSITY - EAST CAMPUS

29		<u>2014-15</u>
30	FTE positions	425.6
31	Operating lump sum appropriation	\$ 46,230,900
32	Parity funding	6,647,000
33	TRIF lease-purchase payment	<u>2,000,000</u>
34	Total appropriation - Arizona state	
35	university - East campus	\$ 54,877,900
36	Fund sources:	
37	State general fund	\$ 19,186,200
38	University collections fund	33,691,700
39	Technology and research initiative	
40	fund	2,000,000

41 It is the intent of the legislature that the general fund base funding  
42 for Arizona state university - East campus is \$24,936,400. This  
43 appropriation includes a deferral of \$5,750,200 from fiscal year 2014-2015 to  
44 fiscal year 2015-2016. This deferral shall be paid as required in this act.

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

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

5 Any unencumbered balances remaining in the collections account on June  
6 30, 2014 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 It is the intent of the legislature to appropriate funding to Arizona  
17 state university and northern Arizona university with the goal of achieving  
18 per student funding parity between the universities under the jurisdiction of  
19 the Arizona board of regents no later than the beginning of fiscal year  
20 2016-2017.

21 Sec. 96. ARIZONA STATE UNIVERSITY - WEST CAMPUS

	<u>2014-15</u>
FTE positions	562.9
Operating lump sum appropriation	\$ 62,643,600
TRIF lease-purchase payment	<u>1,600,000</u>
Total appropriation - Arizona state university - West campus	\$ 64,243,600
Fund sources:	
State general fund	\$ 23,263,300
University collections fund	39,380,300
Technology and research initiative fund	1,600,000

33 It is the intent of the legislature that the general fund base funding  
34 for Arizona state university - West campus is \$33,328,100. This  
35 appropriation includes a deferral of \$10,064,800 from fiscal year 2014-2015  
36 to fiscal year 2015-2016. This deferral shall be paid as required in this  
37 act.

38 The state general fund appropriations may not be used for alumni  
39 association funding.

40 The appropriated monies may not be used for scholarships or any student  
41 newspaper.

1 Any unencumbered balances remaining in the collections account on June  
2 30, 2014 and all collections received by the university during the fiscal  
3 year, when paid into the state treasury, are appropriated for operating  
4 expenditures, capital outlay and fixed charges. Earnings on state lands and  
5 interest on the investment of the permanent land funds are appropriated in  
6 compliance with the enabling act and the Constitution of Arizona. No part of  
7 this appropriation may be expended for supplemental life insurance or  
8 supplemental retirement. Receipts from summer session, when deposited in the  
9 state treasury, together with any unencumbered balance in the summer session  
10 account, are appropriated for the purpose of conducting summer sessions but  
11 are excluded from the amounts enumerated above.

12 Sec. 97. NORTHERN ARIZONA UNIVERSITY

	<u>2014-15</u>
13	
14 FTE positions	2,057.2
15 Operating lump sum appropriation	\$182,289,000
16 Parity funding	12,549,900
17 NAU - Yuma	2,446,500
18 Teacher training	<u>2,290,600</u>
19 Total appropriation - Northern Arizona	
20 university	\$199,576,000
21 Fund sources:	
22 State general fund	\$ 79,294,900
23 University collections fund	120,281,100

24 It is the intent of the legislature that the general fund base funding  
25 for northern Arizona university is \$109,789,700. This appropriation includes  
26 a deferral of \$30,494,800 from fiscal year 2014-2015 to fiscal year  
27 2015-2016. This deferral shall be paid as required in this act.

28 The state general fund appropriations may not be used for alumni  
29 association funding.

30 The appropriated monies may not be used for scholarships or any student  
31 newspaper.

32 The appropriated amount for the teacher training line item must be  
33 distributed to the Arizona K-12 center for program implementation and mentor  
34 training for the Arizona mentor teacher program prescribed by the state board  
35 of education.

36 Any unencumbered balances remaining in the collections account on June  
37 30, 2014 and all collections received by the university during the fiscal  
38 year, when paid into the state treasury, are appropriated for operating  
39 expenditures, capital outlay and fixed charges. Earnings on state lands and  
40 interest on the investment of the permanent land funds are appropriated in  
41 compliance with the enabling act and the Constitution of Arizona. No part of  
42 this appropriation may be expended for supplemental life insurance or  
43 supplemental retirement. Receipts from summer session, when deposited in the  
44 state treasury, together with any unencumbered balance in the summer session

1 account, are appropriated for the purpose of conducting summer sessions but  
 2 are excluded from the amounts enumerated above.

3 It is the intent of the legislature to appropriate funding to Arizona  
 4 state university and northern Arizona university with the goal of achieving  
 5 per student funding parity between the universities under the jurisdiction of  
 6 the Arizona board of regents no later than the beginning of fiscal year  
 7 2016-2017.

8 The sum of \$500,000 in fiscal year 2015-2016 and the sum of \$500,000 in  
 9 fiscal year 2016-2017 are appropriated from the state general fund to  
 10 northern Arizona university for operating expenditures.

11 Sec. 98. UNIVERSITY OF ARIZONA

	<u>2014-15</u>
12	
13	<u>Main campus</u>
14	FTE positions 5,393.0
15	Operating lump sum appropriation \$348,943,900
16	Agriculture 37,189,100
17	Arizona cooperative extension 16,025,900
18	Freedom center 500,000
19	Sierra Vista campus <u>6,943,700</u>
20	Total - Main campus \$409,602,600
21	Fund sources:
22	State general fund \$138,094,900
23	University collections fund 271,507,700
24	<u>Health sciences center</u>
25	FTE positions 1,054.1
26	Operating lump sum appropriation \$ 53,376,900
27	Clinical rural rotation 353,400
28	Clinical teaching support 8,587,000
29	Liver research institute 430,100
30	Phoenix medical campus 29,344,300
31	Telemedicine network <u>1,833,900</u>
32	Total - health sciences center \$ 93,925,600
33	Fund sources:
34	State general fund \$ 52,808,600
35	University collections fund 41,117,000
36	Total appropriation - university of
37	Arizona <u>\$503,528,200</u>
38	Fund sources:
39	State general fund \$190,903,500
40	University collections fund 312,624,700

41 It is the intent of the legislature that the general fund base funding  
 42 for university of Arizona - main campus is \$200,248,000. This appropriation  
 43 includes a deferral of \$62,153,100 from fiscal year 2014-2015 to fiscal year  
 44 2015-2016. This deferral shall be paid as required in this act.

1 It is the intent of the legislature that the general fund base funding  
 2 for university of Arizona - health sciences center is \$69,585,300. This  
 3 appropriation includes a deferral of \$16,776,700 from fiscal year 2014-2015  
 4 to fiscal year 2015-2016. This deferral shall be paid as required in this  
 5 act.

6 The state general fund appropriations may not be used for alumni  
 7 association funding.

8 The appropriated monies may not be used for scholarships or any student  
 9 newspaper.

10 Any unencumbered balances remaining in the collections account on June  
 11 30, 2014 and all collections received by the university during the fiscal  
 12 year, when paid into the state treasury, are appropriated for operating  
 13 expenditures, capital outlay and fixed charges. Earnings on state lands and  
 14 interest on the investment of the permanent land funds are appropriated in  
 15 compliance with the enabling act and the Constitution of Arizona. No part of  
 16 this appropriation may be expended for supplemental life insurance or  
 17 supplemental retirement. Receipts from summer session, when deposited in the  
 18 state treasury, together with any unencumbered balance in the summer session  
 19 account, are appropriated for the purpose of conducting summer sessions but  
 20 are excluded from the amounts enumerated above.

21 The sum of \$2,500,000 in fiscal year 2015-2016 and the sum of  
 22 \$2,500,000 in fiscal year 2016-2017 are appropriated from the state general  
 23 fund to university of Arizona - main campus for operating expenditures.

24 Sec. 99. DEPARTMENT OF VETERANS' SERVICES

		<u>2014-15</u>
25		
26	FTE positions	500.3
27	Operating lump sum appropriation	\$ 3,218,900
28	Arizona state veterans' homes	31,086,600
29	Southern Arizona cemetery	275,600
30	Veterans' benefit counseling	<u>2,848,100</u>
31	Total appropriation - department of	
32	veterans' services	\$ 37,429,200
33	Fund sources:	
34	State general fund	\$ 5,436,300
35	State home for veterans' trust	
36	fund	31,086,600
37	State veterans' conservatorship	
38	fund	906,300

39 Sec. 100. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

		<u>2014-15</u>
40		
41	FTE positions	6.0
42	Lump sum appropriation	\$ 577,100
43	Fund sources:	
44	Veterinary medical examining	
45	board fund	\$ 577,100

1	Sec. 101. DEPARTMENT OF WATER RESOURCES	
2		<u>2014-15</u>
3	FTE positions	101.0
4	Operating lump sum appropriation	\$ 9,499,100
5	Adjudication support	1,256,700
6	Assured and adequate water supply	
7	administration	1,989,500
8	Rural water studies	1,167,700
9	Conservation and drought program	410,000
10	Automated groundwater monitoring	410,200
11	Lower Colorado river	
12	litigation expenses	<u>500,000*</u>
13	Total appropriation - department of water	
14	resources	\$ 15,233,200
15	Fund sources:	
16	State general fund	\$ 14,326,400
17	Water resources fund	640,400
18	Assured and adequate water	
19	supply administration fund	266,400
20	Monies in the assured and adequate water supply administration line	
21	item may be used only for the exclusive purposes prescribed in sections	
22	45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department	
23	of water resources may not transfer any monies into or out of the assured and	
24	adequate water supply administration line item.	
25	It is the intent of the legislature that monies in the rural water	
26	studies line item be spent only to assess local water use needs and to	
27	develop plans for sustainable future water supplies in rural areas outside	
28	the state's AMAs and not be made available for other department operating	
29	expenditures.	
30	Monies in the adjudication support line item may be used only for the	
31	exclusive purposes prescribed in section 45-256 and section 45-257,	
32	subsection B, paragraph 4, Arizona Revised Statutes. The department of water	
33	resources may not transfer any monies into or out of the adjudication support	
34	line item.	
35	The department of water resources may not transfer any monies from the	
36	lower Colorado river litigation expenses line item without the prior review	
37	by the joint legislative budget committee.	
38	Sec. 102. DEPARTMENT OF WEIGHTS AND MEASURES	
39		<u>2014-15</u>
40	FTE positions	38.4
41	General services	\$ 1,805,300
42	Vapor recovery	653,200
43	Oxygenated fuel	<u>789,700</u>
44	Total appropriation - department	
45	of weights and measures	\$ 3,248,200

1 Fund sources:

2 State general fund \$ 1,475,300  
3 Air quality fund 1,442,900  
4 Motor vehicle liability insurance  
5 enforcement fund 330,000

6 Sec. 103. Fiscal year 1998-1999 appropriations; reverts

7 Of the \$450,000 appropriated in fiscal year 1998-1999 from the  
8 personnel division fund established pursuant to section 41-750, Arizona  
9 Revised Statutes, to the department of administration by Laws 1997, chapter  
10 288, section 14, \$273,000 reverts to the state general fund on the effective  
11 date of this act.

12 Fiscal Year 2013-2014 Appropriation Adjustments

13 Sec. 104. Department of administration; risk management  
14 revolving fund; supplemental appropriation; fiscal  
15 year 2013-2014

16 A. In addition to any other appropriations made in fiscal year  
17 2013-2014, the sum of \$10,109,000 from the risk management revolving fund  
18 established by section 41-622, Arizona Revised Statutes, is appropriated to  
19 the department of administration in fiscal year 2013-2014 for the following  
20 purposes:

21 1. To reimburse the federal government for disallowed costs relating  
22 to attorney general legal services.

23 2. To reimburse the federal government for disallowed costs relating  
24 to the statewide information technology charges.

25 3. To reimburse the federal government for fund transfers in fiscal  
26 years 2011-2012 and 2012-2013.

27 B. It is the intent of the legislature that the department of  
28 administration not enter into any agreements to pay for any federal  
29 reimbursements related to excess balances in the special employee health  
30 insurance trust fund established by section 38-654, Arizona Revised Statutes,  
31 or interest payments made for the human resource information solution  
32 certificate of participation, unless the proposed agreements are reviewed by  
33 the joint legislative budget committee.

34 Sec. 105. Arizona health care cost containment system;  
35 appropriation reduction; fiscal year 2013-2014

36 In addition to any other appropriation reductions made in fiscal year  
37 2013-2014 and notwithstanding any other law, the appropriation to the Arizona  
38 health care cost containment system is reduced by \$73,439,600 from the state  
39 general fund and \$115,372,800 from federal title XIX expenditure authority in  
40 fiscal year 2013-2014.

41 Sec. 106. Board of athletic training; supplemental  
42 appropriation; fiscal year 2013-2014

43 In addition to any other appropriations made in fiscal year 2013-2014,  
44 the sum of \$13,000 is appropriated from the athletic training fund  
45 established by section 32-4105, Arizona Revised Statutes, in fiscal year

1 2013-2014 to the board of athletic training for employee-related  
2 expenditures.

3 Sec. 107. Attorney general-department of law; supplemental  
4 appropriation; fiscal year 2013-2014

5 In addition to any other appropriations made in fiscal year 2013-2014,  
6 the sum of \$600,000 is appropriated from the consumer protection - consumer  
7 fraud revolving fund established by section 44-1531.01, Arizona Revised  
8 Statutes, in fiscal year 2013-2014 to the attorney general - department of  
9 law for backfill of a federal grant.

10 Sec. 108. Department of education; supplemental appropriation;  
11 fiscal year 2013-2014

12 In addition to any other appropriations made in fiscal year 2013-2014,  
13 the sum of \$47,000,000 is appropriated from the state general fund in fiscal  
14 year 2013-2014 to the department of education for basic state aid.

15 Sec. 109. Arizona exposition and state fair board; supplemental  
16 appropriation; fiscal year 2013-2014

17 In addition to any other appropriations made in fiscal year 2013-2014,  
18 the sum of \$270,000 is appropriated from the Arizona exposition and state  
19 fair fund established by section 3-1005, Arizona Revised Statutes, in fiscal  
20 year 2013-2014 to the Arizona exposition and state fair board for a power  
21 meter.

22 Sec. 110. Department of health services; supplemental  
23 appropriation; fiscal year 2013-2014

24 In addition to any other appropriations made in fiscal year 2013-2014  
25 and notwithstanding any other law, the appropriation to the department of  
26 health services is increased by \$17,638,500 from the state general fund and  
27 \$39,321,200 from federal title XIX expenditure authority in fiscal year  
28 2013-2014.

29 Sec. 111. State land department; supplemental appropriation;  
30 fiscal year 2013-2014

31 In addition to any other appropriations made in fiscal year 2013-2014,  
32 the sum of \$128,300 is appropriated from the state general fund in fiscal  
33 year 2013-2014 to the state land department for CAP user fee rate adjustment.

34 Sec. 112. Naturopathic physicians medical board; supplemental  
35 appropriation; fiscal year 2013-2014

36 In addition to any other appropriations made in fiscal year 2013-2014,  
37 the sum of \$15,800 is appropriated from the naturopathic physicians medical  
38 board fund established by section 32-1505, Arizona Revised Statutes, in  
39 fiscal year 2013-2014 to the naturopathic physicians medical board for  
40 hearing expenses.

41 Sec. 113. State board of nursing; supplemental appropriation;  
42 fiscal year 2013-2014; appropriation; fiscal year  
43 2014-2015; report

44 A. In addition to any other appropriations made in fiscal year  
45 2013-2014, the sum of \$150,000 is appropriated from the state general fund to

1 the state board of nursing in fiscal year 2013-2014 for certified nursing  
2 assistant program costs.

3 B. The sum of \$150,000 is appropriated from the state general fund to  
4 the state board of nursing in fiscal year 2014-2015 for certified nursing  
5 assistant program costs.

6 C. The state board of nursing shall submit a report to the directors  
7 of the governor's office of strategic planning and budgeting and the joint  
8 legislative budget committee on or before November 1, 2014 with the board's  
9 recommendations for ensuring the long-term financial stability of the  
10 certified nursing assistant program.

11 Sec. 114. School facilities board; supplemental appropriation;  
12 reduction; fiscal year 2013-2014

13 In addition to any other appropriations made in fiscal year 2013-2014,  
14 the appropriation to the school facilities board new school facilities debt  
15 service line item is reduced by \$1,445,200 from the state general fund in  
16 fiscal year 2013-2014 to the school facilities board as part of a refinancing  
17 agreement made in fiscal year 2013-2014.

18 Sec. 115. Department of veterans' services; supplemental  
19 appropriation; fiscal year 2013-2014

20 In addition to any other appropriations made in fiscal year 2013-2014,  
21 the sum of \$2,436,800 is appropriated from the state home for veterans trust  
22 fund established by section 41-608.01, Arizona Revised Statutes, in fiscal  
23 year 2013-2014 to the department of veterans' services for operating  
24 expenditures.

25 Fiscal Year 2014-2015 Appropriations

26 Sec. 116. Department of administration; division of child  
27 safety and family services; data center relocation;  
28 appropriation; fiscal year 2014-2015

29 The sum of \$20,000,000 is appropriated in fiscal year 2014-2015 from  
30 the state general fund to the department of administration for costs  
31 associated with the establishment of the division of child safety and family  
32 services pursuant to executive order 2014-01 and the relocation of the data  
33 center operated by the department of economic security. Before any  
34 expenditure of this amount, the department of economic security shall submit  
35 an expenditure plan to the joint legislative budget committee for approval.

36 Sec. 117. Department of administration; information technology  
37 study; appropriation; fiscal year 2014-2015; report

38 A. The sum of \$500,000 is appropriated in fiscal year 2014-2015 from  
39 the automation operations fund established by section 41-711, Arizona Revised  
40 Statutes, to the department of administration for costs associated with a  
41 study of the state's current use of, reliance on and costs of small-scale  
42 computing systems and the availability of public documents on the internet.

43 B. On or before October 1, 2016, the department of administration  
44 shall report its findings, recommendations and priorities to the governor,  
45 the president of the senate, the speaker of the house of representatives and

1 the senate and house of representatives appropriations committees. The  
2 department shall provide a copy of the report to the secretary of state.

3 Sec. 118. Department of administration; southwest defense  
4 contracts; appropriation; fiscal year 2014-2015

5 The sum of \$25,000 is appropriated in fiscal year 2014-2015 from the  
6 state general fund to the department of administration for distribution to a  
7 nonprofit organization that advocates for the preservation and enhancement of  
8 critical defense missions and assets in the southwest United States.

9 Sec. 119. Department of administration; counties;  
10 appropriations

11 A. The sum of \$7,150,500 is appropriated from the state general fund  
12 in fiscal year 2014-2015 to the department of administration for distribution  
13 to counties for maintenance of essential county services. The department of  
14 administration shall allocate the appropriation equally among all counties  
15 with a population of less than nine hundred thousand persons according to the  
16 2010 decennial census.

17 B. The sum of \$500,000 is appropriated from the state general fund in  
18 fiscal year 2014-2015 to the department of administration for distribution to  
19 a county with a population of more than thirty thousand persons and less than  
20 forty thousand persons, according to the 2010 United States decennial census,  
21 for maintenance of essential county services.

22 Sec. 120. Department of administration; counties; exemption for  
23 electricity used in manufacturing or smelting  
24 operations; appropriation; fiscal year 2014-2015

25 The sum of \$1,300,000 is appropriated from the state general fund in  
26 fiscal year 2014-2015 to the department of administration for distribution to  
27 counties to backfill revenue loss resulting from tax exemptions and  
28 exclusions enacted in the fifty-first legislature, second regular session,  
29 relating to electricity used in manufacturing or smelting operations. Before  
30 any distribution of this amount, the department of administration shall  
31 submit an expenditure plan for review by the joint legislative budget  
32 committee.

33 Sec. 121. Automation projects fund; fiscal year 2014-2015;  
34 appropriations

35 A. The following amounts including 75.0 FTE positions are appropriated  
36 to the department of administration from the automation projects fund  
37 established by section 41-714, Arizona Revised Statutes, in fiscal year  
38 2014-2015 for the following automation and information technology projects:

- 39 1. \$3,125,000 for enhancing statewide data security.
- 40 2. \$500,000 for enhancing enterprise architecture.
- 41 3. \$2,150,000 for project management of statewide automation and  
42 information technology projects.
- 43 4. \$325,000 for projects related to e-government.

1           B. The sum of \$1,700,000 is appropriated to the department of  
2 administration from the automation projects fund established by section  
3 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 to increase the  
4 accuracy and timeliness of reporting income tax credits and to determine the  
5 impact of the reduction in long-term capital gains subject to income tax, as  
6 required by Laws 2012, chapter 343.

7           C. The sum of \$8,000,000 is appropriated to the department of  
8 administration from the automation projects fund established by section  
9 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing  
10 upgrades to the adult information management system operated by the state  
11 department of corrections.

12           D. The sum of \$6,800,000 is appropriated to the department of  
13 administration from the automation projects fund established by section  
14 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing  
15 e-licensing projects by the department of environmental quality.

16           E. The following amounts are appropriated to the department of  
17 administration from the automation projects fund established by section  
18 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for the following  
19 automation and information technology projects:

20           1. \$12,000,000 for implementing, upgrading and maintaining the student  
21 longitudinal data system and the education learning and accountability system  
22 established pursuant to section 15-249, Arizona Revised Statutes.

23           2. In addition to the amount appropriated in paragraph 1 of this  
24 subsection, any remaining balances as of June 30, 2014 from fees collected  
25 from universities and community college districts in the education learning  
26 and accountability fund established by section 15-249.02, Arizona Revised  
27 Statutes, are appropriated for implementing, upgrading and maintaining the  
28 student longitudinal data system and the education learning and  
29 accountability system established pursuant to section 15-249, Arizona Revised  
30 Statutes.

31           3. It is the intent of the legislature that the appropriations made by  
32 this subsection be used to complete a significant portion of the replacement  
33 of the student accountability information system established by section  
34 15-1041, Arizona Revised Statutes, provide a majority of school districts and  
35 charter schools with dashboards and other technology tools to measure student  
36 achievement and continue to stabilize and align the department of education's  
37 internal technology systems with the education learning and accountability  
38 system established pursuant to section 15-249, Arizona Revised Statutes. The  
39 department of education shall provide quantifiable deliverables of the  
40 legislature's intended progress to the information technology authorization  
41 committee established by section 41-3521, Arizona Revised Statutes, and to  
42 the joint legislative budget committee before seeking review of the  
43 \$12,000,000 fiscal year 2014-2015 expenditure from the automation projects  
44 fund, as required by section 41-714, Arizona Revised Statutes.

1 F. The sum of \$1,000,000 is appropriated to the department of  
2 administration from the automation projects fund established by section  
3 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing a  
4 tobacco tax processing and revenue accounting system at the department of  
5 revenue.

6 G. The sum of \$5,000,000 is appropriated to the department of  
7 administration from the automation projects fund established by section  
8 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing  
9 upgrades to the children's information library and data source operated by  
10 the department of economic security.

11 H. In addition to the initial review of expenditures from the  
12 automation projects fund by the joint legislative budget committee, pursuant  
13 to section 41-714, Arizona Revised Statutes, monies appropriated for projects  
14 at each state agency from the automation projects fund established by section  
15 41-714, Arizona Revised Statutes, may not be used for projects at any other  
16 state agency without prior review by the joint legislative budget committee.

17 I. The department of administration shall submit to the joint  
18 legislative budget committee, within thirty days after the last day of each  
19 calendar quarter, a quarterly report on the implementation of projects  
20 described in this section, including the projects' expenditures to date,  
21 deliverables, timeline for completion and current status.

22 J. Any remaining balances on June 30, 2014 in the automation projects  
23 fund established by section 41-714, Arizona Revised Statutes, from monies  
24 appropriated in fiscal year 2013-2014 are appropriated to the department of  
25 administration in fiscal year 2014-2015 for the same purposes specified in  
26 fiscal year 2013-2014. The department of administration shall report any  
27 fiscal year 2014-2015 expenditure of remaining balances from fiscal year  
28 2013-2014 in the automation projects fund in the department's quarterly  
29 report to the joint legislative budget committee.

30 K. The funding for the department of environmental quality automation  
31 project is contingent on the use of a contracted third-party consultant  
32 to evaluate and assess the project's feasibility, estimated expenditures,  
33 technology approach and scope throughout the life of the project. The  
34 department of administration and the department of environmental quality  
35 shall provide a recent report by the third-party consultant to the  
36 information technology authorization committee and the joint legislative  
37 budget committee before seeking review of the \$6,800,000 fiscal year  
38 2014-2015 expenditure from the automation projects fund, as required by  
39 section 41-714, Arizona Revised Statutes. Following the initial review of  
40 fiscal year 2014-2015 expenditures, the department of environmental quality  
41 shall provide ongoing reports from the third-party consultant to the joint  
42 legislative budget committee on the progress of the project, as determined by  
43 the joint legislative budget committee.

44 L. The funding for the state department of corrections automation  
45 project is contingent on the use of a contracted independent third-party

1 consultant to evaluate and assess the project's feasibility, estimated  
2 expenditures, technology approach and scope throughout the life of the  
3 project. The department of administration and the state department of  
4 corrections shall provide a recent report by the third-party consultant to  
5 the information technology authorization committee and the joint legislative  
6 budget committee before seeking review of the \$8,000,000 fiscal year  
7 2014-2015 expenditure from the automation projects fund, as required by  
8 section 41-714, Arizona Revised Statutes. Following the initial review of  
9 fiscal year 2014-2015 expenditures, the state department of corrections shall  
10 provide ongoing reports from the third-party consultant to the joint  
11 legislative budget committee on the progress of the project, as determined by  
12 the joint legislative budget committee.

13 M. The funding for the department of education's automation project is  
14 contingent on the use of a contracted independent third-party consultant to  
15 evaluate and assess the project's feasibility, estimated expenditures,  
16 technology approach and scope throughout the life of the project. The  
17 department of administration and the department of education shall provide a  
18 recent report by the third-party consultant to the information technology  
19 authorization committee and the joint legislative budget committee before  
20 seeking review of the \$12,000,000 fiscal year 2014-2015 expenditure from the  
21 automation projects fund, as required by section 41-714, Arizona Revised  
22 Statutes. Following the initial review of fiscal year 2014-2015  
23 expenditures, the department of education shall provide ongoing reports from  
24 the third-party consultant to the joint legislative budget committee on the  
25 progress of the project, as determined by the joint legislative budget  
26 committee.

27 N. The funding for the department of economic security's automation  
28 project is contingent on the use of a contracted independent third-party  
29 consultant to evaluate and assess the project's feasibility, estimated  
30 expenditures, technology approach and scope throughout the life of the  
31 project. The department of administration and the department of economic  
32 security shall provide a recent report by the third-party consultant to the  
33 information technology authorization committee and the joint legislative  
34 budget committee before seeking review of the \$5,000,000 fiscal year  
35 2014-2015 expenditure from the automation projects fund, as required by  
36 section 41-714, Arizona Revised Statutes. The department of administration  
37 and the department of economic security shall provide a list of specific  
38 performance measures to be tracked by the new automation system when seeking  
39 review of the \$5,000,000 fiscal year 2014-2015 expenditure from the  
40 automation projects fund, as required by section 41-714, Arizona Revised  
41 Statutes. Following the initial review of fiscal year 2014-2015  
42 expenditures, the department of economic security shall provide ongoing  
43 reports from the third-party consultant to the joint legislative budget  
44 committee on the progress of the project, as determined by the joint  
45 legislative budget committee.

1           Sec. 122. Arizona commerce authority; allocation

2           In accordance with section 43-409, Arizona Revised Statutes,  
3 \$31,500,000 of state general fund withholding tax revenue is allocated in  
4 fiscal year 2014-2015 to the Arizona commerce authority, of which \$10,000,000  
5 is credited to the Arizona commerce authority fund established by section  
6 41-1506, Arizona Revised Statutes, and \$21,500,000 is credited to the Arizona  
7 competes fund established by section 41-1545.01, Arizona Revised Statutes.

8           Sec. 123. Arizona commerce authority; appropriation

9           The sum of \$300,000 is appropriated from the state general fund in  
10 fiscal year 2014-2015 to the Arizona commerce authority for the purpose of  
11 establishing a trade office in Mexico City.

12           Sec. 124. Department of economic security; long-term care  
13 assisted living; appropriation; fiscal year  
14 2014-2015

15           The sum of \$300,000 is appropriated from the state general fund in  
16 fiscal year 2014-2015 to the department of economic security for long-term  
17 care assisted living. The department shall provide the services in a county  
18 with a population of less than five hundred thousand persons according to the  
19 2010 decennial census.

20           Sec. 125. Department of economic security; homeless capital  
21 grant; appropriation; fiscal year 2014-2015

22           The sum of \$500,000 is appropriated from the state general fund in  
23 fiscal year 2014-2015 to the department of economic security for distribution  
24 as a homeless capital grant to a faith-based facility that provides services,  
25 including substance abuse treatment, behavioral medicine treatment and job  
26 training, to those facing hunger and homelessness in a city with a population  
27 of more than one million persons according to the 2010 United States  
28 decennial census.

29           Sec. 126. Appropriation; department of health services;  
30 genomics-based medical research; audit; exemption

31           A. The sum of \$2,000,000 is appropriated from the health research fund  
32 established by section 36-275, Arizona Revised Statutes, in fiscal years  
33 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019 to the department of  
34 health services for allocation to a nonprofit medical research institute  
35 headquartered in this state that does all of the following:

36           1. Specializes in biomedical research focused on applying genomic  
37 technologies and sequencing to clinical care.

38           2. Has served as a resource to this state to conduct molecular  
39 epidemiologic analyses to assist with disease outbreak investigations.

40           3. Collaborates with universities, hospitals and health science  
41 research centers and other public and private bioscience and related  
42 industries in this state.

43           B. The recipient of the monies appropriated pursuant to subsection A  
44 of this section shall commission an annual audit of the expenditure of these

1 monies and shall submit a copy of the audit to the department of health  
2 services on or before February 1 of each year.

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

6 Sec. 127. Independent redistricting commission; appropriation;  
7 fiscal year 2014-2015

8 The sum of \$1,115,100 is appropriated from the state general fund in  
9 fiscal year 2014-2015 to the independent redistricting commission for the  
10 operating expenses of the commission.

11 Sec. 128. Administrative office of the courts; drug treatment;  
12 family drug court programming; appropriations;  
13 exemption; fiscal year 2014-2015

14 A. The sum of \$250,000 is appropriated from the state general fund in  
15 fiscal year 2014-2015 to the administrative office of the courts for  
16 distribution to a county with a population of more than five hundred thousand  
17 persons and less than one million persons according to the 2010 United States  
18 decennial census. The county shall use the funding in a drug treatment  
19 alternative to prison program.

20 B. The sum of \$250,000 is appropriated from the state general fund in  
21 fiscal year 2014-2015 to the administrative office of the courts for  
22 distribution to a county with a population of more than three million persons  
23 according to the 2010 United States decennial census. The county shall use  
24 the funding to contract with a provider offering integrated delivery of  
25 services from testing to treatment, as needed, using evidence-based treatment  
26 standards, and providing the option of an online case management system to  
27 report client progress to the court.

28 C. The appropriations made in subsections A and B of this section are  
29 exempt from the provisions of section 35-190, Arizona Revised Statutes,  
30 relating to lapsing of appropriations through June 30, 2016.

31 Sec. 129. Northern Arizona university; nonprofit medical  
32 research foundation; biotechnology; appropriations;  
33 report; fiscal years 2014-2015, 2015-2016,  
34 2016-2017, 2017-2018 and 2018-2019

35 A. The sum of \$3,000,000 is appropriated annually from the state  
36 general fund in fiscal years 2014-2015, 2015-2016, 2016-2017, 2017-2018 and  
37 2018-2019 to Northern Arizona university for distribution to a nonprofit  
38 medical research foundation in this state that specializes in biotechnology  
39 and that collaborates with universities, hospitals, biotechnology and health  
40 science research centers.

41 B. A nonprofit foundation that receives monies pursuant to subsection  
42 A of this section shall annually submit an expenditure and performance report  
43 to Northern Arizona university. The university shall transmit the report to  
44 the joint legislative budget committee for its review on or before February 1  
45 of each year. The report must include at least the following:

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

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

7           3. Performance measures, including:

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

9           (b) Progress that has been made toward the achievement of each  
10 outcome, including activities, resources and other evidence of the progress.

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

12           (d) Publications, presentations and narratives related to each outcome  
13 and how the expenditures from all state sources of monies that the nonprofit  
14 foundation receives have benefited Arizona.

15           Sec. 130. Appropriations; PSPRS; fiscal years 2014-2015 through  
16 2018-2019; pension liability; city of Prescott

17           The sum of \$1,000,000 is appropriated from the state general fund in  
18 each of fiscal years 2014-2015 through 2018-2019 to the public safety  
19 personnel retirement system to be deposited in the employer account of the  
20 Prescott fire department group to offset increased pension liability.

21           Sec. 131. Universities; appropriations; reduction; fiscal years  
22 2014-2015, 2015-2016 and 2016-2017

23           A. Notwithstanding any other law, the following amounts are reduced  
24 from the state general fund appropriation made to Arizona state university  
25 pursuant to section 15-1670, subsection A, Arizona Revised Statutes:

26           1. In fiscal year 2014-2015, \$522,600.

27           2. In fiscal year 2015-2016, \$3,045,900.

28           3. In fiscal year 2016-2017, \$2,329,800.

29           B. Notwithstanding any other law, the following amounts are reduced  
30 from the state general fund appropriation made to the university of Arizona  
31 pursuant to section 15-1670, subsection A, Arizona Revised Statutes:

32           1. In fiscal year 2014-2015, \$4,659,800.

33           2. In fiscal year 2015-2016, \$4,659,400.

34           3. In fiscal year 2016-2017, \$274,600.

35           C. Notwithstanding any other law, the following amounts are reduced  
36 from the state general fund appropriation made to northern Arizona university  
37 pursuant to section 15-1670, subsection A, Arizona Revised Statutes:

38           1. In fiscal year 2014-2015, \$408,500.

39           2. In fiscal year 2015-2016, \$406,800.

40           3. In fiscal year 2016-2017, \$1,653,200.

41           Sec. 132. Appropriation; water supply development revolving  
42 fund; exemption

43           A. The sum of \$1,000,000 is appropriated from the state general fund  
44 in fiscal year 2014-2015 to the water supply development revolving fund  
45 established by section 49-1271, Arizona Revised Statutes.

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 Sec. 133. Appropriation; debt service payments; state buildings

5 A. The sum of \$60,108,600 is appropriated from the state general fund  
6 in fiscal year 2014-2015 to the department of administration for the purpose  
7 of making a debt service payment on the sale and lease-back of state  
8 buildings authorized by Laws 2009, third special session, chapter 6,  
9 section 32.

10 B. The sum of \$24,015,100 is appropriated from the state general fund  
11 in fiscal year 2014-2015 to the department of administration for the purpose  
12 of making a debt service payment on the sale and lease-back of state  
13 buildings authorized by Laws 2010, sixth special session, chapter 4,  
14 section 2.

15 Sec. 134. Phoenix convention center; debt service payment

16 In accordance with section 9-602, Arizona Revised Statutes, \$20,449,000  
17 of state general fund revenue is allocated in fiscal year 2014-2015 to the  
18 Arizona convention center development fund established by section 9-601,  
19 Arizona Revised Statutes.

20 Sec. 135. Department of health services; middle and high school  
21 prevention education program; appropriation;  
22 exemption; fiscal year 2014-2015

23 A. The sum of \$500,000 is appropriated from the state general fund in  
24 fiscal year 2014-2015 to the department of health services for a middle and  
25 high school prevention education program. The department shall distribute  
26 monies appropriated pursuant to this section on a competitive grant basis to  
27 grant applicants who will implement a proactive prevention education program  
28 in all middle and high schools in this state. The program must:

29 1. Promote positive life choices by educating middle and high school  
30 students about the harms and consequences of destructive behaviors in order  
31 to reduce motivation to use drugs and be involved in harmful social  
32 environments.

33 2. Incorporate an educational prevention component focusing on the  
34 areas of:

- 35 (a) Substance abuse.
- 36 (b) Mental health.
- 37 (c) Violence.
- 38 (d) Other risky behaviors.

39 B. Before the expenditure of any monies appropriated in subsection A  
40 of this section, the department of health services shall present an  
41 expenditure plan to the joint legislative budget committee for its review.

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

1 Fund Balance Transfers

2 Sec. 136. Appropriation; fund balance transfers; fiscal year  
3 2014-2015; automation projects fund

4 A. The amount of \$17,100,000 is appropriated from the state general  
5 fund in fiscal year 2014-2015 for deposit in the automation projects fund  
6 established by section 41-714, Arizona Revised Statutes.

7 B. Notwithstanding any other law, the following amounts from the  
8 following sources are transferred in fiscal year 2014-2015 for deposit in the  
9 automation projects fund established by section 41-714, Arizona Revised  
10 Statutes:

11 1. \$1,600,000 from the education learning and accountability fund  
12 established by section 15-249.02, Arizona Revised Statutes.

13 2. In addition to the amount appropriated in paragraph 1 of this  
14 subsection, any remaining balances as of June 30, 2014 from fees collected  
15 from universities and community college districts in the education learning  
16 and accountability fund established by section 15-249.02, Arizona Revised  
17 Statutes.

18 3. \$6,157,300 from the automation operations fund established by  
19 section 41-711, Arizona Revised Statutes.

20 4. Notwithstanding section 41-1651, Arizona Revised Statutes,  
21 \$5,500,000 from the prison construction and operations fund established by  
22 section 41-1651, Arizona Revised Statutes.

23 5. Notwithstanding section 41-1641, Arizona Revised Statutes,  
24 \$2,500,000 from the corrections fund established by section 41-1641, Arizona  
25 Revised Statutes.

26 6. \$6,800,000 from the emissions inspection fund established by  
27 section 49-544, Arizona Revised Statutes.

28 Sec. 137. Fund balance transfer; special employee health  
29 insurance trust

30 Notwithstanding any other law, on or before June 30, 2015, the amount  
31 of \$53,900,000 is transferred from the special employee health insurance  
32 trust to the state general fund for the purpose of providing adequate support  
33 and maintenance for agencies of this state.

34 Payment Deferrals

35 Sec. 138. Department of economic security; payment deferral;  
36 appropriation; fiscal year 2015-2016

37 A. In addition to any other appropriation reductions made in fiscal  
38 year 2014-2015, notwithstanding any other law, the department of economic  
39 security shall defer \$35,000,000 in payments for services provided in May and  
40 June 2015 until after July 1, 2015.

41 B. In addition to any other appropriations made in fiscal year  
42 2015-2016, the sum of \$35,000,000 is appropriated from the state general fund  
43 in fiscal year 2015-2016 to the department of economic security for the  
44 purpose of paying bills for services provided in May and June 2015.

1 C. Of the amounts deferred in subsection A of this section, payments  
2 to child care providers may not be deferred.

3 D. Of the amounts deferred in subsection A of this section, May  
4 payments to providers of developmentally disabled services may not be  
5 deferred.

6 Sec. 139. Reduction in school district state aid apportionment  
7 in fiscal year 2014-2015; appropriations in fiscal  
8 year 2015-2016

9 A. In addition to any other appropriation reductions made in fiscal  
10 year 2014-2015, notwithstanding any other law, the state board of education  
11 shall defer until after July 1, 2015 but no later than July 12, 2015  
12 \$930,727,700 of the basic state aid and additional state aid payment that  
13 otherwise would be apportioned to school districts during fiscal year  
14 2014-2015 pursuant to section 15-973, Arizona Revised Statutes. The funding  
15 deferral required by this subsection does not apply to charter schools or to  
16 school districts with a student count of less than six hundred pupils, and  
17 the state board of education shall make the deferral by reducing the  
18 apportionment of state aid for each month in the fiscal year by the same  
19 amount.

20 B. In addition to any other appropriations made in fiscal year  
21 2015-2016, the sum of \$930,727,700 is appropriated from the state general  
22 fund in fiscal year 2015-2016 to the state board of education and the  
23 superintendent of public instruction for basic state aid and additional state  
24 aid entitlement for fiscal year 2015-2016. This appropriation shall be  
25 disbursed after July 1, 2015 but no later than July 12, 2015 to the several  
26 counties for the school districts in each county in amounts equal to the  
27 reductions in apportionment of basic state aid and additional state aid that  
28 are required pursuant to subsection A of this section for fiscal year  
29 2014-2015.

30 C. School districts shall include in the revenue estimates they use  
31 for computing their tax rates for fiscal year 2014-2015 the monies they will  
32 receive pursuant to subsection B of this section.

33 Sec. 140. Arizona board of regents; deferral; support and  
34 maintenance; appropriation in fiscal year 2015-2016

35 A. In addition to any other appropriation reductions made in fiscal  
36 year 2014-2015, the Arizona board of regents shall defer until after July 1,  
37 2015 the sum of \$200,000,000, which is allocated to the universities in the  
38 individual campus appropriations.

39 B. In addition to any other amounts appropriated to the Arizona board  
40 of regents for fiscal year 2015-2016, the sum of \$200,000,000 is appropriated  
41 from the state general fund to the Arizona board of regents to be distributed  
42 for the support and maintenance of institutions under its jurisdiction for  
43 payments deferred from fiscal year 2014-2015. The department of  
44 administration shall distribute these monies to the board no later than  
45 October 1, 2015.



1 implementation of retirement rate adjustments. The amount does not include  
2 funding for adjustments in the state department of corrections and the  
3 department of public safety as additional funding for the adjustments in  
4 those agencies are incorporated in the individual appropriations for those  
5 agencies in this act.

6 Sec. 143. Department of law: general agency counsel charges:  
7 fiscal year 2014-2015

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

11	1. Department of administration	\$127,700
12	2. Office of administrative hearings	\$ 3,000
13	3. Arizona arts commission	\$ 3,100
14	4. Automobile theft authority	\$ 1,400
15	5. Citizens clean elections commission	\$ 2,700
16	6. State department of corrections	\$ 2,000
17	7. Arizona criminal justice commission	\$ 8,700
18	8. Arizona state schools for the deaf 19 and the blind	\$100,200
20	9. Commission for the deaf and hard of hearing	\$ 4,100
21	10. Arizona early childhood development and 22 health board	\$ 47,100
23	11. Department of education	\$132,000
24	12. Department of emergency and military affairs	\$ 30,000
25	13. Department of environmental quality	\$135,600
26	14. Arizona exposition and state fair board	\$ 20,900
27	15. Department of financial institutions	\$ 1,900
28	16. Department of fire, building and life safety	\$ 2,500
29	17. State forester	\$ 12,100
30	18. Department of gaming	\$ 35,000
31	19. Arizona geological survey	\$ 6,800
32	20. Department of health services	\$170,000
33	21. Arizona historical society	\$ 700
34	22. Arizona department of housing	\$ 18,100
35	23. Department of insurance	\$ 10,500
36	24. Department of juvenile corrections	\$ 9,400
37	25. State land department	\$ 2,100
38	26. Department of liquor licenses and control	\$ 11,400
39	27. Arizona state lottery commission	\$ 24,800
40	28. Arizona state parks board	\$ 45,800
41	29. State personnel board	\$ 600
42	30. Arizona pioneers' home	\$ 12,100
43	31. Commission for postsecondary education	\$ 1,800
44	32. Department of public safety	\$677,400
45	33. Arizona department of racing	\$ 2,300

1	34. Radiation regulatory agency	\$ 3,800
2	35. Arizona state retirement system	\$ 69,100
3	36. Department of revenue	\$ 4,900
4	37. Department of state - secretary of state	\$ 1,800
5	38. State treasurer	\$ 9,200
6	39. Department of veterans' services	\$ 52,700
7	40. Department of weights and measures	\$ 4,200

8 Other Provisions

9 Sec. 144. Legislative intent; expenditure reporting

10 It is the intent of the legislature that all departments, agencies and  
11 budget units receiving appropriations under the terms of this act continue to  
12 report actual, estimated and requested expenditures by budget programs and  
13 budget classes in a format that is similar to the budget programs and budget  
14 classes used for budgetary purposes in prior years. A different format may  
15 be used if deemed necessary to implement section 35-113, Arizona Revised  
16 Statutes, agreed to by the director of the joint legislative budget committee  
17 and incorporated into the budget preparation instructions adopted by the  
18 governor's office of strategic planning and budgeting pursuant to section  
19 35-112, Arizona Revised Statutes.

20 Sec. 145. FTE positions; reporting; definition

21 Full-time equivalent (FTE) positions contained in this act are subject  
22 to appropriation. The director of the department of administration shall  
23 account for the use of all appropriated and nonappropriated FTE positions,  
24 excluding those in the department of economic security, the universities and  
25 the department of environmental quality. The director of the department of  
26 administration shall submit the fiscal year 2014-2015 report on or before  
27 October 1, 2015 to the director of the joint legislative budget committee.  
28 The reports must compare the level of appropriated FTE usage in each fiscal  
29 year to the appropriated level. For the purposes of this section, "FTE  
30 positions" means the total number of hours worked, including both regular and  
31 overtime hours as well as hours taken as leave, divided by the number of  
32 hours in a work year. The director of the department of administration shall  
33 notify the director of each budget unit if the budget unit's appropriated FTE  
34 usage has exceeded its number of appropriated FTE positions. The  
35 above-excluded agencies shall each report to the director of the joint  
36 legislative budget committee in a manner comparable to the department of  
37 administration reporting.

38 Sec. 146. Filled FTE positions; reporting

39 On or before October 1, 2014, each agency, including the judiciary and  
40 universities, shall submit a report to the director of the joint legislative  
41 budget committee on the number of filled appropriated and nonappropriated FTE  
42 positions, by fund source, as of September 1, 2014.

43 Sec. 147. Transfer of spending authority

44 The department of administration shall report monthly to the director  
45 of the joint legislative budget committee on any transfers of spending

1 authority made pursuant to section 35-173, subsection C, Arizona Revised  
2 Statutes, during the prior month.

3 Sec. 148. Interim reporting requirements

4 A. State general fund revenue for fiscal year 2013-2014, including a  
5 beginning balance of \$895,000,000 and other one-time revenues, is forecasted  
6 to be \$9,457,000,000.

7 B. State general fund revenue for fiscal year 2014-2015, including a  
8 beginning balance of \$601,000,000 and other one-time revenues, is forecasted  
9 to be \$9,314,000,000.

10 C. State general fund revenue for fiscal year 2015-2016, including a  
11 beginning balance of \$180,000,000 and other one-time revenues, is forecasted  
12 to be \$9,246,000,000. State general fund expenditures for fiscal year  
13 2015-2016 are forecasted to be \$9,375,000,000.

14 D. State general fund revenue for fiscal year 2016-2017, including  
15 one-time revenues, is forecasted to be \$9,342,000,000. State general fund  
16 expenditures for fiscal year 2016-2017 are forecasted to be \$9,679,000,000.

17 E. The executive branch shall provide to the joint legislative budget  
18 committee a preliminary estimate of the fiscal year 2013-2014 state general  
19 fund ending balance on or before September 15, 2014. The estimate must  
20 include projections of total revenues, total expenditures and ending balance.  
21 The department of administration shall continue to provide the final report  
22 for the fiscal year in its annual financial report pursuant to section  
23 35-131, Arizona Revised Statutes.

24 F. Based on the information provided by the executive branch, the  
25 staff of the joint legislative budget committee shall report to the joint  
26 legislative budget committee on or before October 15, 2014 as to whether the  
27 fiscal year 2014-2015 revenues and ending balance are expected to change by  
28 more than \$50,000,000 from the budgeted projections. The joint legislative  
29 budget committee staff may make technical adjustments to the revenue and  
30 expenditure estimates in this section to reflect other bills enacted into  
31 law. The executive branch may also provide its own estimates to the joint  
32 legislative budget committee on or before October 15, 2014.

33 Sec. 149. Definition

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

37 Sec. 150. Definition

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

41 Sec. 151. Definition

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