

REFERENCE TITLE: 2014-2015; general appropriations.

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

HB 2703

Introduced by
Representatives Kavanagh, Boyer, Kwasman, Olson, Ugenti (with permission
of Committee on Rules)

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	\$ 149,600
17	Fund sources:	
18	Acupuncture board of examiners	
19	fund	\$ 149,600

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	\$ 75,699,000
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	3,898,272,700
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	\$8,087,935,700
32	Appropriated fund sources:	
33	State general fund	\$1,274,393,500
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

	<u>2014-15</u>
41 FTE positions	9.0
42 Lump sum appropriation	\$ 861,600
43 Fund sources:	
44 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	558.9
10	Operating lump sum appropriation	\$ 51,544,600
11	Capital postconviction prosecution	800,000
12	State grand jury	181,100
13	Victims' rights	3,758,400
14	Risk management interagency	
15	service agreement	9,439,500
16	Military airport planning	<u>5,000</u>
17	Total appropriation - attorney general -	
18	department of law	\$ 65,728,600
19	Fund sources:	
20	State general fund	\$ 22,379,600
21	Antitrust enforcement revolving	
22	fund	244,200
23	Attorney general legal services	
24	cost allocation fund	2,087,500
25	Collection enforcement revolving	
26	fund	6,887,800
27	Consumer protection - consumer	
28	fraud revolving fund	5,306,200
29	Interagency service agreements	
30	fund	14,825,400
31	Risk management revolving fund	9,439,500
32	State aid to indigent defense fund	800,000
33	Victims' rights fund	3,758,400

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

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

1 the dollar amount of the contract by fiscal year and the number of associated
 2 FTE positions.

3 Sec. 11. AUTOMOBILE THEFT AUTHORITY

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

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

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

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

23 Sec. 12. BOARD OF BARBERS

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

29 Sec. 13. BOARD OF BEHAVIORAL HEALTH EXAMINERS

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

36 Sec. 14. STATE BOARD FOR CHARTER SCHOOLS

37		<u>2014-15</u>
38	FTE positions	9.0
39	Lump sum appropriation	\$ 822,400
40	Fund sources:	
41	State general fund	\$ 822,400

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	\$ 401,800
31	Coconino	138,700
32	Gila	46,400
33	Graham	208,100
34	Mohave	192,900
35	Navajo	122,000
36	Pinal	327,900
37	Santa Cruz	14,700
38	Yavapai	260,800
39	Yuma/La Paz	<u>286,700</u>
40	Total - STEM and workforce programs	
41	state aid	\$ 2,000,000
42	Rural county reimbursement subsidy	<u>\$ 848,800</u>
43	Total appropriation - Arizona community	
44	colleges	\$ 59,504,800

1 Fund sources:
2 State general fund \$ 59,504,800
3 Of the \$848,800 appropriated to the rural county reimbursement subsidy
4 line item, Apache county receives \$466,000 and Greenlee county \$382,800.
5 Sec. 17. REGISTRAR OF CONTRACTORS
6 2014-15
7 FTE positions 105.6
8 Operating lump sum appropriation \$ 11,175,700
9 Office of administrative hearings
10 costs 1,017,600
11 Total appropriation - registrar of
12 contractors \$ 12,193,300
13 Fund sources:
14 Registrar of contractors fund \$ 12,193,300
15 Any transfer to or from the amount appropriated for the office of
16 administrative hearings costs line item requires review by the joint
17 legislative budget committee.
18 Sec. 18. CORPORATION COMMISSION
19 2014-15
20 FTE positions 300.9
21 Operating lump sum appropriation \$ 26,266,800
22 Corporation filings, same day
23 service 400,400
24 Securities division database
25 upgrade 750,000
26 Utilities audits, studies,
27 investigations and hearings 380,000*
28 Total appropriation - corporation commission \$ 27,797,200
29 Fund sources:
30 State general fund \$ 609,700
31 Arizona arts trust fund 50,100
32 Investment management regulatory
33 and enforcement fund 715,400
34 Public access fund 6,623,800
35 Securities regulatory and
36 enforcement fund 5,570,800
37 Utility regulation revolving fund 14,227,400
38 The \$400,400 appropriated from the public access fund for the
39 corporation filings, same day service line item reverts to the public access
40 fund at the end of the fiscal year 2014-2015 if the commission has not
41 established a same day service pursuant to section 10-122, Arizona Revised
42 Statutes.

1	Sec. 19. STATE DEPARTMENT OF CORRECTIONS	
2		<u>2014-15</u>
3	FTE positions	9,534.0
4	Operating lump sum appropriation	\$ 772,227,800
5	Private prison per diem	144,321,300
6	Inmate health care contracted	
7	services	<u>125,274,900</u>
8	Total appropriation - state department	
9	of corrections	\$1,041,824,000
10	Fund sources:	
11	State general fund	\$996,912,200
12	State education fund for	
13	correctional education	516,200
14	Alcohol abuse treatment fund	554,400
15	Penitentiary land fund	979,200
16	State charitable, penal and	
17	reformatory institutions	
18	land fund	360,000
19	Corrections fund	27,517,600
20	Transition program fund	1,300,000
21	Prison construction and operations	
22	fund	13,684,400

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

27 The state department of corrections shall forward a monthly report
 28 comparing department expenditures for the month and year-to-date as compared
 29 to prior year expenditures to the president of the senate, the speaker of the
 30 house of representatives, the chairpersons of the senate and house of
 31 representatives appropriations committees and the director of the joint
 32 legislative budget committee on or before the thirtieth of the following
 33 month. The report must be in the same format as the prior fiscal year and
 34 include an estimate of potential shortfalls, potential surpluses that may be
 35 available to offset these shortfalls and a plan, if necessary, for
 36 eliminating any shortfall without a supplemental appropriation.

37 The state department of corrections shall provide a report on bed
 38 capacity to the joint legislative budget committee for its review on or
 39 before August 1, 2014. The report must reflect the bed capacity for each
 40 security classification by gender at each state-run and private institution,
 41 divided by rated and total beds. The report must include bed capacity data
 42 for June 30 of the previous fiscal year, June 30 of the current fiscal year
 43 and June 30 of the subsequent fiscal year, as well as the reasons for any
 44 change within that time period. Within the total bed count, the department
 45 shall provide the number of temporary and special use beds. If the

1 department develops a plan subsequent to its August 1 report to close
 2 state-operated prison rated beds or cancel or not renew contracts for
 3 privately operated prison beds, the state department of corrections shall
 4 submit a bed plan detailing the proposed bed closures for review by the joint
 5 legislative budget committee before implementing these changes.

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

10 Twenty-five per cent of land earnings and interest from the state
 11 charitable, penal and reformatory institutions land fund must be distributed
 12 to the state department of corrections in compliance with the enabling act
 13 and the Constitution of Arizona to be used for the support of state penal
 14 institutions.

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

19 Sec. 20. BOARD OF COSMETOLOGY

		<u>2014-15</u>
21	FTE positions	24.5
22	Lump sum appropriation	\$ 1,784,500
23	Fund sources:	
24	Board of cosmetology fund	\$ 1,784,500

25 Sec. 21. ARIZONA CRIMINAL JUSTICE COMMISSION

		<u>2014-15</u>
27	FTE positions	9.0
28	Operating lump sum appropriation	\$ 888,100
29	State aid to county attorneys	973,600
30	Victim compensation and assistance	<u>4,092,500</u>
31	Total appropriation - Arizona criminal	
32	justice commission	\$ 5,954,200
33	Fund sources:	
34	Criminal justice enhancement fund	\$ 649,200
35	Drug and gang prevention resource	
36	center fund	238,900
37	State aid to county attorneys fund	973,600
38	Victim compensation and assistance	
39	fund	4,092,500

40 All victim compensation and assistance receipts received by the Arizona
 41 criminal justice commission in excess of \$4,092,500 in fiscal year 2014-2015
 42 are appropriated to the crime victims program. Before the expenditure of any
 43 victim compensation and assistance receipts in excess of \$4,092,500 in fiscal
 44 year 2014-2015, the Arizona criminal justice commission shall report the
 45 intended use of the monies to the joint legislative budget committee.

1 All state aid to county attorneys fund receipts received by the Arizona
 2 criminal justice commission in excess of \$973,600 in fiscal year 2014-2015
 3 are appropriated to the state aid to the county attorneys program. Before
 4 the expenditure of any state aid to county attorneys fund receipts in excess
 5 of \$973,600, the Arizona criminal justice commission shall report the
 6 intended use of the monies to the joint legislative budget committee.

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

8		<u>2014-15</u>
9	FTE positions	541.2
10	Administration/statewide	\$ 3,040,500
11	Phoenix day school for the deaf	9,336,100
12	Tucson campus	14,879,500
13	Regional cooperatives	832,400
14	Preschool/outreach programs	6,554,300
15	School bus replacement	738,000
16	Replace network core infrastructure	695,800
17	Voucher fund adjustment	<u>(1,000,000)</u>
18	Total appropriation - Arizona state schools	
19	for the deaf and the blind	\$ 35,076,600
20	Fund sources:	
21	State general fund	\$ 22,491,100
22	Schools for the deaf and the	
23	blind fund	12,585,500

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

28 Sec. 23. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

29		<u>2014-15</u>
30	FTE positions	15.0
31	Lump sum appropriation	\$ 4,015,400
32	Fund sources:	
33	Telecommunication fund for	
34	the deaf	\$ 4,015,400

35 Sec. 24. STATE BOARD OF DENTAL EXAMINERS

36		<u>2014-15</u>
37	FTE positions	11.0
38	Lump sum appropriation	\$ 1,214,800
39	Fund sources:	
40	Dental board fund	\$ 1,214,800

41 Sec. 25. DEPARTMENT OF ECONOMIC SECURITY

42		<u>2014-15</u>
43	FTE positions	6,648.5
44	Operating lump sum appropriation	\$207,401,600

1	<u>Administration</u>	
2	Attorney general legal services	11,324,500
3	<u>Aging and adult services</u>	
4	Adult services	7,924,100
5	Community and emergency services	3,724,000
6	Coordinated homeless	2,522,600
7	Domestic violence prevention	12,123,700
8	<u>Benefits and medical eligibility</u>	
9	Temporary assistance for needy	
10	families cash benefits	44,999,400
11	Coordinated hunger	1,754,600
12	Tribal pass-through funding	4,680,300
13	<u>Child support enforcement</u>	
14	County participation	6,740,200
15	<u>Child safety and family services</u>	
16	Division of child safety and	
17	family services operating	
18	lump sum appropriation	206,474,300
19	Division of child safety and	
20	family services attorney	
21	general legal services	18,260,500
22	Adoption services	184,507,400
23	In-home preventive support	
24	services	28,432,100
25	Out-of-home support services	115,581,000
26	CPS emergency and residential	
27	placement	76,467,000
28	Foster care placement	46,328,400
29	Independent living maintenance	3,469,300
30	Intensive family services	7,000,000
31	Permanent guardianship subsidy	11,215,300
32	Grandparent stipends	1,000,000
33	<u>Developmental disabilities</u>	
34	Case management - medicaid	47,727,500
35	Home and community based	
36	services - medicaid	804,205,900
37	Institutional services -	
38	medicaid	18,964,400
39	Medical services - medicaid	138,600,200
40	Arizona training program at	
41	Coolidge - medicaid	15,903,500
42	Medicare clawback payments	2,902,400

1	Case management - state-only	3,926,600
2	Home and community based	
3	services - state-only	34,096,700
4	State-funded long-term care	
5	services	26,527,900
6	<u>Employment and rehabilitation services</u>	
7	JOB	11,005,600
8	Day care subsidy	130,396,600
9	Independent living rehabilitation	
10	services	1,289,400
11	Rehabilitation services	3,799,100
12	Workforce investment act	
13	services	53,654,600
14	<u>Agencywide</u>	
15	Contingency funding	<u>2,949,300</u>
16	Total appropriation - department of	
17	economic security	\$2,297,880,000
18	Fund sources:	
19	State general fund	746,125,500
20	Federal child care and	
21	development fund block grant	130,769,700
22	Federal temporary assistance for	
23	needy families block grant	218,705,400
24	Public assistance collections	
25	fund	427,000
26	Special administration fund	2,829,900
27	Spinal and head injuries trust	
28	fund	1,874,700
29	Statewide cost allocation plan	
30	fund	1,000,000
31	Child abuse prevention fund	1,459,100
32	Children and family services	
33	training program fund	207,700
34	Child support enforcement	
35	administration fund	16,787,400
36	Domestic violence shelter fund	2,220,000
37	Long-term care system fund	31,198,500
38	Workforce investment act grant	56,060,000
39	Child support enforcement	
40	administration fund expenditure	
41	authority	40,397,800
42	Developmental disabilities medicaid	
43	expenditure authority	745,999,600
44	Division of children, youth and	
45	families expenditure authority	301,817,700

1 Administration

2 In accordance with section 35-142.01, Arizona Revised Statutes, the
3 department of economic security shall remit to the department of
4 administration any monies received as reimbursement from the federal
5 government or any other source for the operation of the department of
6 economic security west building and any other building lease-purchased by the
7 state of Arizona in which the department of economic security occupies space.
8 The department of administration shall deposit these monies in the state
9 general fund.

10 Aging and adult services

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

16 The department of economic security shall report to the joint
17 legislative budget committee on the amount of state and federal monies
18 available statewide for domestic violence funding on or before December
19 15, 2014. The report must include, at a minimum, the amount of monies
20 available and the state fiscal agent receiving those monies.

21 Benefits and medical eligibility

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

25 Child support enforcement

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

32 Child safety and family services

33 Of the amounts appropriated for out-of-home support services, CPS
34 emergency and residential placement and foster care placement, the department
35 may transfer up to ten per cent of the total amount of federal temporary
36 assistance for needy families block grant monies appropriated to the
37 department of economic security to the social services block grant for use in
38 the following line items in the division of child safety and family services:
39 out-of-home support services, CPS emergency and residential placement and
40 foster care placement. Before transferring federal temporary assistance for
41 needy families block grant monies to the social services block grant, the
42 department shall report the proposed amount of the transfer to the director
43 of the joint legislative budget committee. This report may be in the form of
44 an expenditure plan that is submitted at the beginning of the fiscal year and
45 updated, if necessary, throughout the fiscal year.

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

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

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

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

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

20 The department of economic security or its successor agency must submit
21 a report to the joint legislative budget committee on its progress in
22 improving child safety hotline wait times and decreasing the abandoned call
23 rate. The report must include the mean abandoned call rate along with the
24 mean and median call wait times. The report must be submitted on or before
25 February 1, 2015 for the prior year.

26 It is the intent of the legislature that the funding in the in-home
27 preventive support services line item be used for families whose children are
28 at risk of out-of-home placement due to abuse, neglect or dependency, while
29 the funding in the out-of-home support services line item is for children in
30 out-of-home placements.

31 Developmental disabilities

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

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

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.

26 Employment and rehabilitation services

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

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

36 Departmentwide

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

41 The department of economic security shall forward a monthly report
42 comparing total expenditures for the month and year-to-date as compared to
43 prior year totals must be forwarded to the president of the senate, the
44 speaker of the house of representatives, the chairpersons of the senate and
45 house of representatives appropriations committees and the director of the

1 joint legislative budget committee on or before the thirtieth of the
2 following month. The report must include an estimate of potential shortfalls
3 in entitlement programs and potential federal and other funds, such as the
4 statewide assessment for indirect costs, and any projected surplus in state
5 supported programs that may be available to offset these shortfalls and a
6 plan, if necessary, for eliminating any shortfall without a supplemental
7 appropriation.

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

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

32 Sec. 26. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

33			<u>2014-15</u>
34	FTE positions		175.9
35	Operating lump sum appropriation	\$	8,599,100
36	Fund sources:		
37	State general fund	\$	8,261,000
38	Teacher certification fund		138,100
39	Department of education empowerment		
40	scholarship account fund		200,000

41 The operating lump sum appropriation includes \$683,900 and 8.5 FTE
42 positions for average daily membership auditing and \$200,000 and 2 FTE
43 positions for information technology security services.

1	Basic state aid	\$2,415,582,600
2	Fund sources:	
3	State general fund	\$2,369,107,100
4	Permanent state school fund	46,475,500

5 The above appropriation provides basic state support to school
6 districts for maintenance and operations funding as provided by section
7 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in
8 expendable income derived from the permanent state school fund and from state
9 trust lands pursuant to section 37-521, subsection B, Arizona Revised
10 Statutes, for fiscal year 2014-2015.

11 Receipts derived from the permanent state school fund and any other
12 nonstate general fund revenue source that is dedicated to fund basic state
13 aid must be expended, whenever possible, before expenditure of state general
14 fund monies.

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

25	K-3 reading	40,007,600
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26 The appropriated amount is for funding costs of the K-3 reading weight
27 established in section 15-943, Arizona Revised Statutes, except that the
28 state board of education may use up to \$1,500,000 of the appropriated amount
29 on technical assistance and state level administration of the K-3 reading
30 program. The appropriated amount includes 2 FTE positions.

31	Student success funding	\$ 1,500,000
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32	Fund sources:	
33	Student success fund	\$ 1,500,000
34	Additional state aid	352,502,000
35	Special education fund	33,242,100
36	Other state aid to districts	983,900
37	Accountability and achievement	
38	testing	\$ 10,223,600

39	Fund sources:	
40	State general fund	\$ 3,223,600
41	Proposition 301 fund	7,000,000

42 Before making any changes to the achievement testing program that will
43 increase program costs, the state board of education shall submit the
44 estimated fiscal impact of those changes to the joint legislative budget
45 committee for review.

1	Adult education	4,500,000
2	Arizona structured English immersion	
3	fund	4,960,400
4	English learner administration	6,516,200

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

18	Student success fund deposit	2,400,000*
19	School safety program	3,646,400
20	State block grant for vocational	
21	education	11,575,400
22	Teacher certification	\$ 1,841,900
23	Fund sources:	
24	Teacher certification fund	\$ 1,841,900
25	State board of education	\$ 1,614,400
26	Fund sources:	
27	State general fund	\$ 1,234,700
28	Teacher certification fund	379,700

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

32	Total appropriation - state board of	
33	education and superintendent	
34	of public instruction	
35		<u>\$2,899,695,600</u>
36	Fund sources:	
37	State general fund	\$2,842,160,400
38	Proposition 301 fund	7,000,000
39	Permanent state school fund	46,475,500
40	Teacher certification fund	2,359,700
41	Student success fund	1,500,000
42	Department of education empowerment	
43	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

	<u>2014-15</u>
25	
26	FTE positions 61.1
27	Administration \$ 1,805,700
28	Emergency management 861,900
29	Military affairs <u>2,427,700</u>
30	Total appropriation - department of
31	emergency and military affairs \$ 5,095,300
32	Fund sources:
33	State general fund \$ 4,962,600
34	Emergency response fund 132,700

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

41 Sec. 28. DEPARTMENT OF ENVIRONMENTAL QUALITY

	<u>2014-15</u>
42	
43	FTE positions 322.0
44	Operating lump sum appropriation \$ 46,214,500

1	Emissions control contractor	
2	payment	<u>21,119,500</u>
3	Total appropriation - department of	
4	environmental quality	\$ 67,334,000
5	Fund sources:	
6	Air permits administration fund	\$ 7,143,900
7	Air quality fund	5,376,400
8	Emissions inspection fund	26,592,300
9	Hazardous waste management fund	1,742,700
10	Indirect cost recovery fund	13,308,500
11	Recycling fund	1,359,400
12	Solid waste fee fund	1,242,700
13	Underground storage tank	
14	revolving fund	22,000
15	Water quality fee fund	10,546,100

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

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

39 All air permits administration revenues received by the department of
 40 environmental quality in excess of \$7,143,900 in fiscal year 2014-2015 are
 41 appropriated to the department. Before the expenditure of air permits
 42 administration receipts in excess of \$7,143,900 in fiscal year 2014-2015, the
 43 department of environmental quality shall report the intended use of the
 44 monies to the joint legislative budget committee.

1 All indirect cost recovery fund revenues received by the department of
 2 environmental quality in excess of \$13,308,500 in fiscal year 2014-2015 are
 3 appropriated to the department. Before the expenditure of indirect cost
 4 recovery fund receipts in excess of \$13,308,500 in fiscal year 2014-2015, the
 5 department of environmental quality shall report the intended use of the
 6 monies to the joint legislative budget committee.

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

8			<u>2014-15</u>
9	FTE positions		4.0
10	Lump sum appropriation	\$	188,500
11	Fund sources:		
12	State general fund	\$	188,500

13 Sec. 30. STATE BOARD OF EQUALIZATION

14			<u>2014-15</u>
15	FTE positions		7.0
16	Lump sum appropriation	\$	639,500
17	Fund sources:		
18	State general fund	\$	639,500

19 Sec. 31. BOARD OF EXECUTIVE CLEMENCY

20			<u>2014-15</u>
21	FTE positions		14.0
22	Lump sum appropriation	\$	838,400
23	Fund sources:		
24	State general fund	\$	838,400

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

29 Sec. 32. ARIZONA EXPOSITION AND STATE FAIR BOARD

30			<u>2014-15</u>
31	FTE positions		184.0
32	Lump sum appropriation	\$	11,618,800
33	Fund sources:		
34	Arizona exposition and state		
35	fair fund	\$	11,618,800

36 Sec. 33. DEPARTMENT OF FINANCIAL INSTITUTIONS

37			<u>2014-15</u>
38	FTE positions		60.1
39	Lump sum appropriation	\$	4,266,200
40	Fund sources:		
41	State general fund	\$	3,019,100
42	Financial services fund		1,247,100

43 The department of financial institutions shall assess and set fees to
 44 ensure that monies deposited in the state general fund will equal or exceed
 45 its expenditure from the state general fund.

1	Sec. 34. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY	
2		<u>2014-15</u>
3	FTE positions	47.0
4	Lump sum appropriation	\$ 2,026,000
5	Fund sources:	
6	State general fund	\$ 2,026,000
7	Sec. 35. STATE FORESTER	
8		<u>2014-15</u>
9	FTE positions	55.0
10	Operating lump sum appropriation	\$ 2,779,200
11	Environmental county grants	175,000
12	Inmate fire crews	695,700
13	Fire suppression	1,000,000
14	Hazardous vegetation removal	<u>1,350,000</u>
15	Total appropriation - state forester	\$ 5,999,900
16	Fund sources:	
17	State general fund	\$ 5,999,900
18	Sec. 36. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
19		<u>2014-15</u>
20	FTE positions	4.0
21	Lump sum appropriation	\$ 353,600
22	Fund sources:	
23	Board of funeral directors' and	
24	embalmers' fund	\$ 353,600
25	Sec. 37. ARIZONA GAME AND FISH DEPARTMENT	
26		<u>2014-15</u>
27	FTE positions	273.5
28	Operating lump sum appropriation	\$ 34,347,800
29	Pittman - Robertson/Dingell -	
30	Johnson act	3,808,000
31	Performance incentive pay program	346,100*
32	Lower Colorado multispecies	
33	conservation	350,000
34	Watercraft grant program	1,000,000
35	Watercraft safety education program	<u>250,000</u>
36	Total appropriation - game and fish	
37	department	\$ 40,101,900
38	Fund sources:	
39	Capital improvement fund	\$ 999,700
40	Game and fish fund	34,184,100
41	Wildlife endowment fund	16,000
42	Watercraft licensing fund	4,555,800
43	Game, non-game, fish and	
44	endangered species fund	346,300

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

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

12 Sec. 38. DEPARTMENT OF GAMING

13		<u>2014-15</u>
14	FTE positions	115.3
15	Operating lump sum appropriation	\$ 8,312,900
16	Additional operating expenses	800,400
17	Casino operations certification	2,104,000
18	Problem gambling	<u>2,279,700</u>
19	Total appropriation - department of gaming	\$ 13,497,000
20	Fund sources:	
21	Tribal-state compact fund	\$ 2,104,000
22	Arizona benefits fund	11,093,000
23	State lottery fund	300,000

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

30 Sec. 39. ARIZONA GEOLOGICAL SURVEY

31		<u>2014-15</u>
32	FTE positions	10.3
33	Lump sum appropriation	\$ 941,400
34	Fund sources:	
35	State general fund	\$ 941,400

36 Sec. 40. OFFICE OF THE GOVERNOR

37		<u>2014-15</u>
38	Lump sum appropriation	\$ 6,926,000*
39	Fund sources:	
40	State general fund	\$ 6,926,000

41 Included in the lump sum appropriation of \$6,926,000 for fiscal year
 42 2014-2015 is \$10,000 for the purchase of mementos and items for visiting
 43 officials.

1	Sec. 41. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING	
2		<u>2014-15</u>
3	FTE positions	22.0
4	Lump sum appropriation	\$ 1,993,200*
5	Fund sources:	
6	State general fund	\$ 1,993,200
7	Sec. 42. DEPARTMENT OF HEALTH SERVICES	
8		<u>2014-15</u>
9	FTE positions	1,176.7
10	Operating lump sum appropriation	\$ 65,910,000
11	<u>Public health/family health</u>	
12	Adult cystic fibrosis	105,200
13	AIDS reporting and surveillance	1,000,000
14	Alzheimer's disease research	1,125,000
15	Breast and cervical cancer and	
16	bone density screening	1,369,400
17	County tuberculosis provider care	
18	and control	590,700
19	Folic acid	400,000
20	High risk perinatal services	2,543,400
21	Newborn screening program	6,307,000
22	Nonrenal disease management	198,000
23	Nursing facility study	50,000
24	Poison control centers funding	990,000
25	Renal dental care and nutrition	
26	supplements	300,000
27	<u>Behavioral health</u>	
28	Arizona state hospital - operating	58,349,500
29	Arizona state hospital - restoration	
30	to competency	900,000
31	Arizona state hospital - sexually	
32	violent persons	9,728,700
33	Crisis services	16,391,100
34	Medicaid behavioral health -	
35	adult expansion	73,805,900
36	Medicaid behavioral health -	
37	comprehensive medical and	
38	dental program	182,521,300
39	Medicaid behavioral health -	
40	proposition 204	533,313,600
41	Medicaid behavioral health -	
42	traditional	819,169,600

1	Medicaid insurance premium	
2	payments	23,795,400
3	Medicare clawback payments	14,100,700
4	Mental health first aid	250,000
5	Non-medicaid seriously	
6	mentally ill services	78,846,900
7	Proposition 204 administration	6,446,700
8	Supported housing	<u>5,324,800</u>
9	Total appropriation and expenditure	
10	authority - department of	
11	health services	\$1,903,832,900
12	Fund sources:	
13	State general fund	\$ 611,913,100
14	Arizona state hospital fund	9,587,800
15	Arizona state hospital land	
16	earnings fund	650,000
17	Capital outlay stabilization fund	1,559,800
18	Child fatality review fund	94,800
19	Emergency medical services	
20	operating fund	5,121,400
21	Environmental laboratory licensure	
22	revolving fund	926,900
23	Federal child care and development	
24	fund block grant	830,400
25	Health services licensing fund	8,842,400
26	Indirect cost fund	8,940,400
27	Newborn screening program fund	6,738,900
28	Nursing care institution resident	
29	protection revolving fund	88,200
30	Substance abuse services fund	2,250,000
31	Tobacco tax and health care fund -	
32	health research account	1,000,000
33	Tobacco tax and health care fund -	
34	medically needy account	35,467,000
35	Vital records electronic systems	
36	fund	3,634,700
37	Federal medicaid authority	1,206,187,100

38 Public health/family health

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

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

1 Behavioral health

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

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

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

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

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

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

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

3 Departmentwide

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

16 Sec. 43. ARIZONA HISTORICAL SOCIETY

	<u>2014-15</u>
17 FTE positions	51.9
18 Operating lump sum appropriation	\$ 2,116,500
19 Arizona experience museum	428,300
20 Field services and grants	66,000
21 Papago park museum	<u>544,200</u>
22 Total appropriation - Arizona historical	
23 society	\$ 3,155,000
24 Fund sources:	
25 State general fund	\$ 3,155,000

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

34 Sec. 44. PRESCOTT HISTORICAL SOCIETY

	<u>2014-15</u>
36 FTE positions	13.0
37 Lump sum appropriation	\$ 826,000
38 Fund sources:	
39 State general fund	\$ 826,000

40 Sec. 45. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

	<u>2014-15</u>
42 FTE positions	1.0
43 Lump sum appropriation	\$ 102,100

1	Fund sources:		
2	Board of homeopathic and		
3	integrated medicine		
4	examiners' fund	\$	102,100
5	Sec. 46. ARIZONA DEPARTMENT OF HOUSING		
6			<u>2014-15</u>
7	FTE positions		3.0
8	Lump sum appropriation	\$	313,800
9	Fund sources:		
10	Housing trust fund	\$	313,800
11	Sec. 47. ARIZONA COMMISSION OF INDIAN AFFAIRS		
12			<u>2014-15</u>
13	FTE positions		3.0
14	Lump sum appropriation	\$	56,900
15	Fund sources:		
16	State general fund	\$	56,900
17	Sec. 48. INDUSTRIAL COMMISSION OF ARIZONA		
18			<u>2014-15</u>
19	FTE positions		235.6
20	Lump sum appropriation	\$	19,989,500
21	Fund sources:		
22	Administrative fund	\$	19,989,500
23	Sec. 49. DEPARTMENT OF INSURANCE		
24			<u>2014-15</u>
25	FTE positions		90.5
26	Lump sum appropriation	\$	5,364,900
27	Fund sources:		
28	State general fund	\$	5,364,900
29	Sec. 50. ARIZONA JUDICIARY		
30			<u>2014-15</u>
31	<u>Supreme court</u>		
32	FTE positions		175.0
33	Operating lump sum appropriation	\$	14,072,600
34	Automation		11,344,600
35	Case and cash management system		3,326,500
36	County reimbursements		187,900
37	Court appointed special advocate		3,042,900
38	Domestic relations		655,400
39	Foster care review board		3,617,100
40	Commission on judicial conduct		522,300
41	Judicial nominations and		
42	performance review		428,400
43	Model court		447,600
44	State aid		<u>5,949,100</u>
45	Total appropriation - supreme court	\$	43,594,400

1	Fund sources:	
2	State general fund	\$ 16,020,000
3	Confidential intermediary and	
4	fiduciary fund	488,000
5	Court appointed special advocate	
6	fund	2,940,900
7	Criminal justice enhancement fund	3,004,500
8	Defensive driving school fund	4,194,400
9	Judicial collection enhancement	
10	fund	14,002,000
11	State aid to the courts fund	2,944,600

12 On or before September 1, 2014, the supreme court shall report to the
 13 joint legislative budget committee on current and future automation projects
 14 coordinated by the administrative office of the courts. The report must
 15 include a list of court automation projects receiving or anticipated to
 16 receive state monies in the current or next two fiscal years as well as a
 17 description of each project, the number of FTE positions, the entities
 18 involved and the goals and anticipated results for each automation project.
 19 The report must be submitted in one summary document. The report must
 20 indicate each project's total multiyear cost by fund source and budget line
 21 item, including any prior year, current year and future year expenditures.

22 Included in the appropriation for the supreme court program is \$1,000
 23 for the purchase of mementos and items for visiting officials.

24 Of the \$187,900 appropriated for county reimbursements, state grand
 25 jury is limited to \$97,900 and capital postconviction relief is limited to
 26 \$90,000.

27 Court of appeals

28	FTE positions	136.8
29	Division I	\$ 9,896,900
30	Division II	\$ 4,289,800
31	Total appropriation - court of appeals	\$ 14,186,700

32 Fund sources:

33	State general fund	\$ 14,186,700
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34 Of the 136.8 FTE positions for fiscal year 2014-2015, 98.3 FTE
 35 positions are for Division I and 38.5 FTE positions are for Division II.

36 Superior court

37	FTE positions	137.5
38	Judges compensation	\$ 7,682,500
39	Adult standard probation	17,658,900
40	Adult intensive probation	12,417,500
41	Community punishment	2,310,100
42	Interstate compact	748,500
43	Drug court	1,013,600

1	Juvenile standard probation	4,756,200
2	Juvenile intensive probation	9,175,600
3	Juvenile treatment services	22,341,400
4	Juvenile family counseling	660,400
5	Juvenile crime reduction	5,192,100
6	Juvenile diversion consequences	9,024,900
7	Special water master	<u>220,000</u>
8	Total appropriation - superior court	\$ 93,201,700
9	Fund sources:	
10	State general fund	\$ 79,670,300
11	Criminal justice enhancement fund	7,002,200
12	Drug treatment and education fund	500,000
13	Judicial collection enhancement	
14	fund	6,029,200

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

21 Up to 4.6 per cent of the amounts appropriated for juvenile treatment
 22 services and juvenile diversion consequences may be retained and expended by
 23 the supreme court to administer the programs established pursuant to section
 24 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The
 25 remaining portion of the juvenile treatment services and juvenile diversion
 26 consequences appropriations must be deposited in the juvenile probation
 27 services fund established by section 8-322, Arizona Revised Statutes.

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

32 On or before November 1, 2014, the administrative office of the courts
 33 shall report to the joint legislative budget committee the fiscal year
 34 2013-2014 actual, fiscal year 2014-2015 estimated and fiscal year 2015-2016
 35 requested amounts for the following:

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

42 2. Total receipts and expenditures by county and fund source for the
 43 adult standard, adult intensive, juvenile standard and juvenile intensive
 44 probation line items, including the amount of personal services expended from
 45 each revenue source of each account.

1 3. The amount of monies from the adult standard, adult intensive,
 2 juvenile standard and juvenile intensive probation line items that the office
 3 does not distribute as direct aid to counties. The report must delineate how
 4 the office expends these monies that are not distributed as direct aid to
 5 counties.

6 Sec. 51. DEPARTMENT OF JUVENILE CORRECTIONS

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

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

23 Sec. 52. STATE LAND DEPARTMENT

24		<u>2014-15</u>
25	FTE positions	130.7
26	Operating lump sum appropriation	\$ 15,104,600
27	Natural resource conservation	
28	districts	650,000
29	CAP user fees	673,600
30	Due diligence fund	500,000
31	Scanning and digitizing trust	
32	land records	<u>1,200,000</u>
33	Total appropriation - state land department	\$ 18,128,200
34	Fund sources:	
35	State general fund	\$ 12,505,700
36	Environmental special plate fund	260,000
37	Due diligence fund	500,000
38	Trust land management fund	4,862,500

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

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

4 Sec. 53. LEGISLATURE

5 2014-15

6 Senate

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

8 Fund sources:

9 State general fund \$ 8,283,800

10 Included in the lump sum appropriation of \$8,283,800 for fiscal year
 11 2014-2015 is \$1,000 for the purchase of mementos and items for visiting
 12 officials.

13 House of representatives

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

15 Fund sources:

16 State general fund \$ 13,372,200

17 Included in the lump sum appropriation of \$13,372,200 for fiscal year
 18 2014-2015 is \$1,000 for the purchase of mementos and items for visiting
 19 officials.

20 Legislative council

21 FTE positions 47.0

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

23 Ombudsman-citizens aide office 628,500

24 Total appropriation - legislative

25 council \$ 8,046,500*

26 Fund sources:

27 State general fund \$ 8,046,500

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

30 Joint legislative budget committee

31 FTE positions 29.0

32 Lump sum appropriation \$ 2,492,000*

33 Fund sources:

34 State general fund \$ 2,492,000

35 Auditor general

36 FTE positions 184.8

37 Lump sum appropriation \$ 17,989,700*

38 Fund sources:

39 State general fund \$ 17,989,700

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

1	Sec. 54. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
2		<u>2014-15</u>
3	FTE positions	45.2
4	Lump sum appropriation	\$ 2,932,300
5	Fund sources:	
6	Liquor licenses fund	\$ 2,932,300
7	Sec. 55. ARIZONA STATE LOTTERY COMMISSION	
8		<u>2014-15</u>
9	FTE positions	98.8
10	Operating lump sum appropriation	\$ 8,418,700
11	Advertising	<u>15,500,000</u>
12	Total appropriation - Arizona state	
13	lottery commission	\$ 23,918,700
14	Fund source:	
15	State lottery fund	\$ 23,918,700
16	An amount equal to twenty per cent of tab ticket sales is appropriated	
17	for payment of sales commissions to charitable organizations. This amount is	
18	currently estimated to be \$852,300 in fiscal year 2014-2015.	
19	An amount equal to 3.6 per cent of actual instant ticket sales is	
20	appropriated for the printing of instant tickets or for contractual	
21	obligations concerning instant ticket distribution. This amount is currently	
22	estimated to be \$18,571,300 in fiscal year 2014-2015.	
23	An amount equal to a percentage of actual online game sales as	
24	determined by contract is appropriated for payment of online vendor fees.	
25	This amount is currently estimated to be \$9,399,400, or 3.7 per cent of	
26	actual online ticket sales in fiscal year 2014-2015.	
27	An amount equal to 6.5 per cent of gross lottery game sales, less tab	
28	tickets, is appropriated for payment of sales commissions to ticket	
29	retailers. An additional amount not to exceed 0.5 per cent of gross lottery	
30	game sales is appropriated for payment of sales commissions to ticket	
31	retailers. The combined amount is currently estimated to be 6.7 per cent of	
32	total ticket sales, or \$51,298,200 in fiscal year 2014-2015.	
33	Sec. 56. BOARD OF MASSAGE THERAPY	
34		<u>2014-15</u>
35	FTE positions	5.0
36	Lump sum appropriation	\$ 457,200
37	Fund sources:	
38	Board of massage therapy fund	\$ 457,200
39	Sec. 57. ARIZONA MEDICAL BOARD	
40		<u>2014-15</u>
41	FTE positions	58.5
42	Lump sum appropriation	\$ 5,738,700
43	Fund sources:	
44	Arizona medical board fund	\$ 5,738,700

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

5 Sec. 58. STATE MINE INSPECTOR

6		<u>2014-15</u>
7	FTE positions	14.0
8	Operating lump sum appropriation	\$ 1,028,600
9	Abandoned mines	194,700
10	Aggregate mined land reclamation	<u>112,500</u>
11	Total appropriation - state mine inspector	\$ 1,335,800
12	Fund sources:	
13	State general fund	\$ 1,223,300
14	Aggregate mining reclamation fund	112,500

15 All aggregate mining reclamation fund receipts received by the state
 16 mine inspector in excess of \$112,500 in fiscal year 2014-2015 are
 17 appropriated to the aggregate mined land reclamation line item. Before the
 18 expenditure of any aggregate mining reclamation fund receipts in excess of
 19 \$112,500 in fiscal year 2014-2015, the state mine inspector shall report the
 20 intended use of the monies to the joint legislative budget committee.

21 Sec. 59. NATUROPATHIC PHYSICIANS MEDICAL BOARD

22		<u>2014-15</u>
23	FTE positions	2.0
24	Lump sum appropriation	\$ 158,900
25	Fund sources:	
26	Naturopathic physicians medical	
27	board fund	\$ 158,900

28 Sec. 60. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

29		<u>2014-15</u>
30	FTE positions	2.0
31	Lump sum appropriation	\$ 129,200
32	Fund sources:	
33	State general fund	\$ 129,200

34 Sec. 61. ARIZONA STATE BOARD OF NURSING

35		<u>2014-15</u>
36	FTE positions	42.2
37	Lump sum appropriation	\$ 4,270,800
38	Fund sources:	
39	Board of nursing fund	\$ 4,270,800

40 Sec. 62. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND
 41 ASSISTED LIVING FACILITY MANAGERS

42		<u>2014-15</u>
43	FTE positions	6.0
44	Lump sum appropriation	\$ 420,200

1	Fund sources:		
2	Nursing care institution		
3	administrators' licensing and		
4	assisted living facility		
5	managers' certification fund	\$	420,200
6	Sec. 63. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
7			<u>2014-15</u>
8	FTE positions		1.5
9	Lump sum appropriation	\$	184,100
10	Fund sources:		
11	Occupational therapy fund	\$	184,100
12	Sec. 64. STATE BOARD OF DISPENSING OPTICIANS		
13			<u>2014-15</u>
14	FTE positions		1.0
15	Lump sum appropriation	\$	135,800
16	Fund sources:		
17	Board of dispensing opticians fund	\$	135,800
18	Sec. 65. STATE BOARD OF OPTOMETRY		
19			<u>2014-15</u>
20	FTE positions		2.0
21	Lump sum appropriation	\$	206,000
22	Fund sources:		
23	Board of optometry fund	\$	206,000
24	Sec. 66. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
25			<u>2014-15</u>
26	FTE positions		6.7
27	Lump sum appropriation	\$	801,500
28	Fund sources:		
29	Board of osteopathic examiners fund	\$	801,500
30	Sec. 67. ARIZONA STATE PARKS BOARD		
31			<u>2014-15</u>
32	FTE positions		163.0
33	Operating lump sum appropriation	\$	10,592,400
34	Kartchner caverns state park		<u>2,228,700</u>
35	Total appropriation - Arizona state parks		
36	board	\$	12,821,100
37	Fund sources:		
38	State parks revenue fund	\$	12,821,100
39	All other operating expenditures include \$26,000 from the state parks		
40	revenue fund for Fool Hollow state park revenue sharing. If receipts to Fool		
41	Hollow exceed \$260,000 in fiscal year 2014-2015, an additional ten per cent		
42	of this increase of Fool Hollow receipts is appropriated from the state parks		
43	revenue fund to meet the revenue sharing agreement with the city of Show Low		
44	and the United States forest service.		

1	Sec. 68. STATE PERSONNEL BOARD	
2		<u>2014-15</u>
3	FTE positions	3.0
4	Lump sum appropriation	\$ 374,900
5	Fund sources:	
6	Personnel division fund -	
7	personnel board subaccount	\$ 374,900
8	Sec. 69. OFFICE OF PEST MANAGEMENT	
9		<u>2014-15</u>
10	FTE positions	30.0
11	Lump sum appropriation	\$ 1,700,000
12	Fund sources:	
13	Pest management fund	\$ 1,700,000
14	Sec. 70. ARIZONA STATE BOARD OF PHARMACY	
15		<u>2014-15</u>
16	FTE positions	18.0
17	Operating lump sum appropriation	\$ 2,017,000
18	One-time funding leave payout	<u>36,300*</u>
19	Total appropriation - Arizona state board	
20	of pharmacy	\$ 2,053,300
21	Fund sources:	
22	Arizona state board of pharmacy	
23	fund	\$ 2,053,300
24	Sec. 71. BOARD OF PHYSICAL THERAPY	
25		<u>2014-15</u>
26	FTE positions	4.0
27	Lump sum appropriation	\$ 407,900
28	Fund sources:	
29	Board of physical therapy fund	\$ 407,900
30	Sec. 72. ARIZONA PIONEERS' HOME	
31		<u>2014-15</u>
32	FTE positions	106.3
33	Operating lump sum appropriation	\$ 6,059,400
34	Prescription drugs	<u>200,000</u>
35	Total appropriation - pioneers' home	\$ 6,259,400
36	Fund sources:	
37	State general fund	\$ 1,602,800
38	Miners' hospital fund	2,079,400
39	State charitable fund	2,577,200
40	Earnings on state lands and interest on the investment of the permanent	
41	land funds are appropriated for the Arizona pioneers' home and the state	
42	hospital for disabled miners in compliance with the enabling act and the	
43	Constitution of Arizona.	

1	Sec. 73. STATE BOARD OF PODIATRY EXAMINERS		
2			<u>2014-15</u>
3	FTE positions		1.0
4	Lump sum appropriation	\$	147,300
5	Fund sources:		
6	Podiatry fund	\$	147,300
7	Sec. 74. COMMISSION FOR POSTSECONDARY EDUCATION		
8			<u>2014-15</u>
9	FTE positions		5.0
10	Operating lump sum appropriation	\$	184,800
11	Leveraging educational assistance		
12	partnership (LEAP)		2,319,500
13	Arizona college and career guide		21,300
14	Math and science teacher		
15	initiative		176,000
16	Arizona minority educational		
17	policy analysis center		100,000
18	Twelve plus partnership		<u>130,500</u>
19	Total appropriation - commission for		
20	postsecondary education	\$	2,932,100
21	Fund sources:		
22	State general fund	\$	1,396,800
23	Postsecondary education fund		1,535,300

24 Each participating institution, public or private, in order to be
 25 eligible to receive state matching funds under the leveraging educational
 26 assistance partnership for grants to students, shall provide an amount of
 27 institutional matching funds that equals the amount of funds provided by the
 28 state to the institution for the leveraging educational assistance
 29 partnership. Administrative expenses incurred by the commission for
 30 postsecondary education must be paid from institutional matching funds and
 31 may not exceed twelve per cent of the funds in fiscal year 2014-2015.

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

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

1	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
2		<u>2014-15</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 395,600
5	Fund sources:	
6	Board for private postsecondary	
7	education fund	\$ 395,600
8	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
9		<u>2014-15</u>
10	FTE positions	4.0
11	Lump sum appropriation	\$ 409,800
12	Fund sources:	
13	Board of psychologist examiners	
14	fund	\$ 409,800
15	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
16		<u>2014-15</u>
17	FTE positions	1,907.7
18	Operating lump sum appropriation	\$209,264,900
19	GIITEM	21,304,700
20	GIITEM subaccount	2,390,000
21	Motor vehicle fuel	3,935,500
22	Public safety equipment	<u>2,890,000</u>
23	Total appropriation - department of public	
24	safety	\$239,785,100
25	Fund sources:	
26	State general fund	\$ 85,271,400
27	Arizona highway user revenue fund	89,247,100
28	State highway fund	6,743,800
29	Arizona highway patrol fund	19,020,900
30	Automation operations fund	296,200
31	Criminal justice enhancement fund	2,872,500
32	Safety enforcement and transportation	
33	infrastructure fund	1,566,300
34	Crime laboratory assessment fund	871,100
35	Crime laboratory operations fund	14,719,800
36	Arizona deoxyribonucleic acid	
37	identification system fund	6,321,200
38	Arizona automated fingerprint	
39	identification system fund	2,909,700
40	Gang and immigration intelligence	
41	team enforcement mission border	
42	security and law enforcement	
43	subaccount	2,390,000

1	Motorcycle safety fund	205,000
2	Risk management revolving fund	1,233,700
3	Parity compensation fund	1,950,000
4	Public safety equipment fund	2,890,000
5	Concealed weapons permit fund	1,276,400

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

- 12 1. Strict enforcement of all federal laws relating to illegal aliens
 13 and arresting illegal aliens.
- 14 2. Responding to or assisting any county sheriff or attorney in
 15 investigating complaints of employment of illegal aliens.
- 16 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
 17 strict enforcement of Arizona's SB 1070, Arizona's "Support Our Law
 18 Enforcement and Safe Neighborhoods Act", investigating crimes of identity
 19 theft in the context of hiring illegal aliens and the unlawful entry into the
 20 country.
- 21 4. Taking strict enforcement action.

22 Any change in the GIITEM mission or allocation of monies must be
 23 approved by the joint legislative budget committee. The department shall
 24 submit an expenditure plan to the joint legislative budget committee for
 25 review before expending any monies not identified in the department's
 26 previous expenditure plans.

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

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

37 Sec. 78. ARIZONA DEPARTMENT OF RACING

38		<u>2014-15</u>
39	FTE positions	40.5
40	Operating lump sum appropriation	\$ 2,895,900
41	Arizona breeders' award	250,000
42	County fairs livestock and	
43	agricultural promotion	<u>1,779,500</u>
44	Total appropriation - department of	
45	racing	\$ 4,925,400

1	Fund sources:	
2	State general fund	\$ 2,029,500
3	Racing regulation fund	2,895,900
4	The amount appropriated to the county fairs livestock and agricultural	
5	promotion line item is for deposit in the county fairs livestock and	
6	agricultural promotion fund administered by the office of the governor.	
7	Sec. 79. RADIATION REGULATORY AGENCY	
8		<u>2014-15</u>
9	FTE positions	29.0
10	Lump sum appropriation	\$ 1,626,200
11	Fund sources:	
12	State general fund	\$ 773,300
13	State radiologic technologist	
14	certification fund	273,300
15	Radiation regulatory fee fund	579,600
16	Sec. 80. STATE REAL ESTATE DEPARTMENT	
17		<u>2014-15</u>
18	FTE positions	37.0
19	Lump sum appropriation	\$ 2,988,700
20	Fund sources:	
21	State general fund	\$ 2,988,700
22	Sec. 81. RESIDENTIAL UTILITY CONSUMER OFFICE	
23		<u>2014-15</u>
24	FTE positions	11.0
25	Operating lump sum appropriation	\$ 1,189,400
26	Professional witnesses	<u>145,000*</u>
27	Total appropriation - residential utility	
28	consumer office	\$ 1,334,400
29	Fund sources:	
30	Residential utility consumer	
31	office revolving fund	\$ 1,334,400
32	Sec. 82. BOARD OF RESPIRATORY CARE EXAMINERS	
33		<u>2014-15</u>
34	FTE positions	4.0
35	Lump sum appropriation	\$ 297,100
36	Fund sources:	
37	Board of respiratory care	
38	examiners fund	\$ 297,100
39	Sec. 83. ARIZONA STATE RETIREMENT SYSTEM	
40		<u>2014-15</u>
41	FTE positions	246.9
42	Operating lump sum appropriation	\$ 24,802,500
43	Automation upgrades	<u>4,484,500*</u>
44	Total appropriation - state	
45	retirement system	\$ 29,287,000

1 Fund sources:

2 Arizona state retirement system

3 administration account \$ 26,487,000

4 Long-term disability trust fund

5 administration account 2,800,000

6 Sec. 84. DEPARTMENT OF REVENUE

7 2014-15

8 FTE positions 861.8

9 Operating lump sum appropriation \$ 63,809,500

10 BRITS operational support 7,602,500

11 Unclaimed property administration

12 and audit 1,218,500

13 Total appropriation - department of revenue \$ 72,630,500

14 Fund sources:

15 State general fund \$ 47,125,300

16 DOR administrative fund 24,428,700

17 Liability setoff revolving fund 397,200

18 Tobacco tax and health care fund 679,300

19 If the total dollar value of properties retained by unclaimed property

20 contract auditors exceeds \$1,218,500, the excess amount is transferred from

21 the state general fund to the DOR administrative fund and appropriated to the

22 department for contract auditor fees.

23 The department shall report the department's general fund revenue

24 enforcement goals for fiscal year 2014-2015 to the joint legislative budget

25 committee on or before September 30, 2014. The department shall provide an

26 annual progress report to the joint legislative budget committee as to the

27 effectiveness of the department's overall enforcement and collections program

28 for fiscal year 2014-2015 on or before September 30, 2015. The reports must

29 include a comparison of projected and actual general fund revenue enforcement

30 collections for fiscal year 2014-2015.

31 Sec. 85. SCHOOL FACILITIES BOARD

32 2014-15

33 FTE positions 17.0

34 Operating lump sum appropriation \$ 1,676,500

35 New school facilities debt service 170,155,200

36 Building renewal grants 16,667,900

37 New school facilities 858,200

38 Total appropriation - school facilities

39 board \$189,357,800

40 Fund sources:

41 State general fund \$189,357,800

42 Pursuant to section 35-142.01, Arizona Revised Statutes, any

43 reimbursement received by or allocated to the school facilities board under

44 the federal qualified school construction bond program in fiscal year

45 2014-2015 must be deposited in or revert to the state general fund.

1	Sec. 86. DEPARTMENT OF STATE - SECRETARY OF STATE	
2		<u>2014-15</u>
3	FTE positions	141.1
4	Operating lump sum appropriation	\$ 10,596,500
5	Election services	4,431,600
6	Help America vote act	2,941,000
7	Library grants-in-aid	651,400*
8	Statewide radio reading service	
9	for the blind	<u>97,000</u>
10	Total appropriation - secretary of state	\$ 18,717,500
11	Fund sources:	
12	State general fund	\$ 15,035,500
13	Election systems improvement fund	2,941,000
14	Records services fund	741,000
15	The secretary of state shall report to the joint legislative budget	
16	committee and the governor's office of strategic planning and budgeting on or	
17	before December 31, 2014 the actual amount and purpose of expenditures from	
18	the election systems improvement fund in fiscal year 2013-2014 and the	
19	expected amount and purpose of expenditures from the fund for fiscal year	
20	2014-2015.	
21	Any transfer to or from the amount appropriated for the election	
22	services line item requires review by the joint legislative budget committee.	
23	The fiscal year 2014-2015 appropriation from the election systems	
24	improvement fund for HAVA is available for use pursuant to section 35-143.01,	
25	subsection C, Arizona Revised Statutes, and is exempt from the provisions of	
26	section 35-190, Arizona Revised Statutes, relating to lapsing of	
27	appropriations, until June 30, 2016.	
28	Included in the operating lump sum appropriation of \$10,596,500 for	
29	fiscal year 2014-2015 is \$5,000 for the purchase of mementos and items for	
30	visiting officials.	
31	Sec. 87. STATE BOARDS' OFFICE	
32		<u>2014-15</u>
33	FTE positions	3.0
34	Lump sum appropriation	\$ 231,000
35	Fund sources:	
36	Special services revolving fund	\$ 231,000
37	Sec. 88. STATE BOARD OF TAX APPEALS	
38		<u>2014-15</u>
39	FTE positions	4.0
40	Lump sum appropriation	\$ 264,700
41	Fund sources:	
42	State general fund	\$ 264,700

1	Sec. 89. STATE BOARD OF TECHNICAL REGISTRATION	
2		<u>2014-15</u>
3	FTE positions	25.0
4	Lump sum appropriation	\$ 2,119,500
5	Fund sources:	
6	Technical registration fund	\$ 2,119,500
7	Sec. 90. OFFICE OF TOURISM	
8		<u>2014-15</u>
9	FTE positions	28.0
10	Tourism fund deposit	\$ 7,102,600
11	Fund sources:	
12	State general fund	\$ 7,102,600
13	Sec. 91. DEPARTMENT OF TRANSPORTATION	
14		<u>2014-15</u>
15	FTE positions	4,548.0
16	Operating lump sum appropriation	\$206,952,600
17	Attorney general legal services	2,895,600
18	Highway maintenance	136,178,400
19	Vehicles and heavy equipment	18,501,500
20	Fraud investigation	773,300
21	New third party funding	<u>971,100</u>
22	Total appropriation - department of	
23	transportation	\$366,272,500
24	Fund sources:	
25	State general fund	\$ 50,400
26	Air quality fund	74,500
27	Driving under the influence	
28	abatement fund	153,800
29	Arizona highway user revenue fund	651,500
30	Motor vehicle liability	
31	insurance enforcement fund	1,086,700
32	Safety enforcement and	
33	transportation infrastructure	
34	fund	1,880,500
35	State aviation fund	1,624,400
36	State highway fund	340,785,100
37	Transportation department	
38	equipment fund	18,501,500
39	Vehicle inspection and title	
40	enforcement fund	1,464,100

41 It is the intent of the legislature that the department not include any
 42 administrative overhead expenditures in duplicate driver license fees charged
 43 to the public.

44 Of the total amount appropriated, \$136,178,400 in fiscal year 2014-2015
 45 for highway maintenance is exempt from the provisions of section 35-190,

1 Arizona Revised Statutes, relating to lapsing of appropriations, except that
 2 all unexpended and unencumbered monies of the appropriation revert to their
 3 fund of origin, either the state highway fund or the safety enforcement and
 4 transportation infrastructure fund, on August 31, 2015.

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

10 Of the \$366,272,500 appropriation to the department of transportation,
 11 the department of transportation shall pay \$16,773,800 in fiscal year
 12 2014-2015 from all funds to the department of administration for its risk
 13 management payment.

14 Sec. 92. STATE TREASURER

	<u>2014-15</u>
15	
16	30.4
17	FTE positions
18	Operating lump sum appropriation \$ 2,820,900
19	Justice of the peace salaries 1,205,100
20	Law enforcement/boating safety
21	fund grants <u>2,183,800</u>
22	Total appropriation - state treasurer \$ 6,209,800
23	Fund sources:
24	State general fund \$ 1,205,100
25	Law enforcement and boating
26	safety fund 2,183,800
27	State treasurer empowerment
28	scholarship account fund 40,000
29	State treasurer's operating fund 2,583,400
30	State treasurer's management fund 197,500

31 Sec. 93. ARIZONA BOARD OF REGENTS

	<u>2014-15</u>
32	25.9
33	FTE positions
34	Operating lump sum appropriation \$ 2,349,600
35	Arizona teachers incentive program 90,000
36	Arizona transfer articulation
37	support system 213,700
38	Student financial assistance 10,041,200
39	Western interstate commission
40	office 131,000
41	Performance funding 5,000,000
42	WICHE student subsidies <u>4,100,000</u>
43	Total appropriation - Arizona board of
44	regents \$ 21,925,500
45	Fund sources:
	State general fund \$ 21,925,500

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

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

18 It is further the intent of the legislature that the Arizona board of
 19 regents use the adopted performance funding model in developing and
 20 submitting future budget requests for the universities under its
 21 jurisdiction, and that the legislature use the performance funding model in
 22 the development of future fiscal year appropriations for the universities
 23 under the jurisdiction of the Arizona board of regents.

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

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

	<u>2014-15</u>
32	
33	FTE positions 6,142.9
34	Operating lump sum appropriation \$501,798,100
35	Biomedical informatics 1,955,200
36	Parity funding 38,843,100
37	Downtown Phoenix campus <u>110,783,800</u>
38	Total appropriation - Arizona state
39	university - Tempe and downtown
40	Phoenix campuses \$653,380,200
41	Fund sources:
42	State general fund \$200,311,500
43	University collections fund 453,068,700

1 It is the intent of the legislature that the general fund base funding
 2 for Arizona state university - Tempe and downtown Phoenix campuses is
 3 \$275,071,900. This appropriation includes a deferral of \$74,760,400 from
 4 fiscal year 2014-2015 to fiscal year 2015-2016. This deferral shall be paid
 5 as required in this 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 The appropriated monies may not be used by the Arizona state university
 11 college of law legal clinic for any lawsuits involving inmates of the state
 12 department of corrections in which the state is the adverse party.

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

24 It is the intent of the legislature to appropriate funding to Arizona
 25 state university and northern Arizona university with the goal of achieving
 26 per student funding parity between the universities under the jurisdiction of
 27 the Arizona board of regents no later than the beginning of fiscal year
 28 2016-2017.

29 Sec. 95. ARIZONA STATE UNIVERSITY - EAST CAMPUS

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

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

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

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

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

20 It is the intent of the legislature to appropriate funding to Arizona
21 state university and northern Arizona university with the goal of achieving
22 per student funding parity between the universities under the jurisdiction of
23 the Arizona board of regents no later than the beginning of fiscal year
24 2016-2017.

25 Sec. 96. ARIZONA STATE UNIVERSITY - WEST CAMPUS

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

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

42 The state general fund appropriations may not be used for alumni
43 association funding.

1 The appropriated monies may not be used for scholarships or any student
2 newspaper.

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

14 Sec. 97. NORTHERN ARIZONA UNIVERSITY

	<u>2014-15</u>
15 FTE positions	2,057.2
16 Operating lump sum appropriation	\$181,789,000
17 Parity funding	12,549,900
18 NAU - Yuma	2,446,500
19 Teacher training	<u>2,290,600</u>
20 Total appropriation - Northern Arizona	
21 university	\$199,076,000
22 Fund sources:	
23 State general fund	\$ 78,794,900
24 University collections fund	120,281,100

25 It is the intent of the legislature that the general fund base funding
26 for northern Arizona university is \$109,289,700. This appropriation includes
27 a deferral of \$30,494,800 from fiscal year 2014-2015 to fiscal year
28 2015-2016. This deferral shall be paid as required in this act.

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

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

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

37 Any unencumbered balances remaining in the collections account on June
38 30, 2014 and all collections received by the university during the fiscal
39 year, when paid into the state treasury, are appropriated for operating
40 expenditures, capital outlay and fixed charges. Earnings on state lands and
41 interest on the investment of the permanent land funds are appropriated in
42 compliance with the enabling act and the Constitution of Arizona. No part of
43 this appropriation may be expended for supplemental life insurance or
44 supplemental retirement. Receipts from summer session, when deposited in the
45

1 state treasury, together with any unencumbered balance in the summer session
 2 account, are appropriated for the purpose of conducting summer sessions but
 3 are excluded from the amounts enumerated above.

4 It is the intent of the legislature to appropriate funding to Arizona
 5 state university and northern Arizona university with the goal of achieving
 6 per student funding parity between the universities under the jurisdiction of
 7 the Arizona board of regents no later than the beginning of fiscal year
 8 2016-2017.

9 Sec. 98. UNIVERSITY OF ARIZONA

	<u>2014-15</u>
11 <u>Main campus</u>	
12 FTE positions	5,384.0
13 Operating lump sum appropriation	\$346,443,900
14 Agriculture	37,189,100
15 Arizona cooperative extension	15,025,900
16 Freedom center	500,000
17 Sierra Vista campus	<u>6,943,700</u>
18 Total - Main campus	\$406,102,600
19 Fund sources:	
20 State general fund	\$134,594,900
21 University collections fund	271,507,700
22 <u>Health sciences center</u>	
23 FTE positions	1,054.1
24 Operating lump sum appropriation	\$ 53,376,900
25 Clinical rural rotation	353,400
26 Clinical teaching support	8,587,000
27 Liver research institute	430,100
28 Phoenix medical campus	29,344,300
29 Telemedicine network	<u>1,833,900</u>
30 Total - health sciences center	\$ 93,925,600
31 Fund sources:	
32 State general fund	\$ 52,808,600
33 University collections fund	41,117,000
34 Total appropriation - university of	
35 Arizona	<u>\$500,028,200</u>
36 Fund sources:	
37 State general fund	\$187,403,500
38 University collections fund	312,624,700

39 It is the intent of the legislature that the general fund base funding
 40 for university of Arizona - main campus is \$196,748,000. This appropriation
 41 includes a deferral of \$62,153,100 from fiscal year 2014-2015 to fiscal year
 42 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 Sec. 99. DEPARTMENT OF VETERANS' SERVICES

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

36 Sec. 100. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

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

1	Sec. 101. DEPARTMENT OF WATER RESOURCES	
2		<u>2014-15</u>
3	FTE positions	90.0
4	Operating lump sum appropriation	\$ 7,499,100
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	\$ 13,233,200
15	Fund sources:	
16	State general fund	\$ 12,326,400
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	36.4
41	General services	\$ 1,569,300
42	Vapor recovery	653,200
43	Oxygenated fuel	<u>789,700</u>
44	Total appropriation - department	
45	of weights and measures	\$ 3,012,200

1 Fund sources:

2 State general fund \$ 1,239,300

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; revertsments

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. Arizona health care cost containment system;

14 appropriation reduction; fiscal year 2013-2014

15 In addition to any other appropriation reductions made in fiscal year

16 2013-2014 and notwithstanding any other law, the appropriation to the Arizona

17 health care cost containment system is reduced by \$73,439,600 from the state

18 general fund and \$115,372,800 from federal title XIX expenditure authority in

19 fiscal year 2013-2014.

20 Sec. 105. Board of athletic training; supplemental

21 appropriation; fiscal year 2013-2014

22 In addition to any other appropriations made in fiscal year 2013-2014,

23 the sum of \$13,000 is appropriated from the athletic training fund

24 established by section 32-4105, Arizona Revised Statutes, in fiscal year

25 2013-2014 to the board of athletic training for employee-related

26 expenditures.

27 Sec. 106. Attorney general-department of law; supplemental

28 appropriation; fiscal year 2013-2014

29 In addition to any other appropriations made in fiscal year 2013-2014,

30 the sum of \$600,000 is appropriated from the consumer protection - consumer

31 fraud revolving fund established by section 44-1531.01, Arizona Revised

32 Statutes, in fiscal year 2013-2014 to the attorney general - department of

33 law for backfill of a federal grant.

34 Sec. 107. Department of education; supplemental appropriation;

35 fiscal year 2013-2014

36 In addition to any other appropriations made in fiscal year 2013-2014,

37 the sum of \$47,000,000 is appropriated from the state general fund in fiscal

38 year 2013-2014 to the department of education for basic state aid.

39 Sec. 108. Arizona exposition and state fair board; supplemental

40 appropriation; fiscal year 2013-2014

41 In addition to any other appropriations made in fiscal year 2013-2014,

42 the sum of \$270,000 is appropriated from the Arizona exposition and state

43 fair fund established by section 3-1005, Arizona Revised Statutes, in fiscal

44 year 2013-2014 to the Arizona exposition and state fair board for a power

45 meter.

1 E. The following amounts are 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 the following
4 automation and information technology projects:

5 1. \$12,000,000 for implementing, upgrading and maintaining the student
6 longitudinal data system and the education learning and accountability system
7 established pursuant to section 15-249, Arizona Revised Statutes.

8 2. In addition to the amount appropriated in paragraph 1 of this
9 subsection, any remaining balances as of June 30, 2014 from fees collected
10 from universities and community college districts in the education learning
11 and accountability fund established by section 15-249.02, Arizona Revised
12 Statutes, are appropriated for implementing, upgrading and maintaining the
13 student longitudinal data system and the education learning and
14 accountability system established pursuant to section 15-249, Arizona Revised
15 Statutes.

16 3. It is the intent of the legislature that the appropriations made by
17 this subsection be used to complete a significant portion of the replacement
18 of the student accountability information system established by section
19 15-1041, Arizona Revised Statutes, provide a majority of school districts and
20 charter schools with dashboards and other technology tools to measure student
21 achievement and continue to stabilize and align the department of education's
22 internal technology systems with the education learning and accountability
23 system established pursuant to section 15-249, Arizona Revised Statutes. The
24 department of education shall provide quantifiable deliverables of the
25 legislature's intended progress to the information technology authorization
26 committee established by section 41-3521, Arizona Revised Statutes, and to
27 the joint legislative budget committee before seeking review of the
28 \$12,000,000 fiscal year 2014-2015 expenditure from the automation projects
29 fund, as required by section 41-714, Arizona Revised Statutes.

30 F. The sum of \$1,000,000 is appropriated to the department of
31 administration from the automation projects fund established by section
32 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing a
33 tobacco tax processing and revenue accounting system at the department of
34 revenue.

35 G. The sum of \$5,000,000 is appropriated to the department of
36 administration from the automation projects fund established by section
37 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing
38 upgrades to the children's information library and data source operated by
39 the department of economic security.

40 H. The sum of \$4,000,000 is appropriated to the department of
41 administration from the automation projects fund established by section
42 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 to relocate the
43 data center operated by the department of economic security.

1 I. In addition to the initial review of expenditures from the
2 automation projects fund by the joint legislative budget committee, pursuant
3 to section 41-714, Arizona Revised Statutes, monies appropriated for projects
4 at each state agency from the automation projects fund established by section
5 41-714, Arizona Revised Statutes, may not be used for projects at any other
6 state agency without prior review by the joint legislative budget committee.

7 J. The department of administration shall submit to the joint
8 legislative budget committee, within thirty days after the last day of each
9 calendar quarter, a quarterly report on the implementation of projects
10 described in this section, including the projects' expenditures to date,
11 deliverables, timeline for completion and current status.

12 K. Any remaining balances on June 30, 2014 in the automation projects
13 fund established by section 41-714, Arizona Revised Statutes, from monies
14 appropriated in fiscal year 2013-2014 are appropriated to the department of
15 administration in fiscal year 2014-2015 for the same purposes specified in
16 fiscal year 2013-2014. The department of administration shall report any
17 fiscal year 2014-2015 expenditure of remaining balances from fiscal year
18 2013-2014 in the automation projects fund in the department's quarterly
19 report to the joint legislative budget committee.

20 L. The funding for the department of environmental quality automation
21 project is contingent on the use of a contracted third-party consultant
22 to evaluate and assess the project's feasibility, estimated expenditures,
23 technology approach and scope throughout the life of the project. The
24 department of administration and the department of environmental quality
25 shall provide a recent report by the third-party consultant to the
26 information technology authorization committee and the joint legislative
27 budget committee before seeking review of the \$6,800,000 fiscal year
28 2014-2015 expenditure from the automation projects fund, as required by
29 section 41-714, Arizona Revised Statutes. Following the initial review of
30 fiscal year 2014-2015 expenditures, the department of environmental quality
31 shall provide ongoing reports from the third-party consultant to the joint
32 legislative budget committee on the progress of the project, as determined by
33 the joint legislative budget committee.

34 M. The funding for the state department of corrections automation
35 project is contingent on the use of a contracted independent third-party
36 consultant to evaluate and assess the project's feasibility, estimated
37 expenditures, technology approach and scope throughout the life of the
38 project. The department of administration and the state department of
39 corrections shall provide a recent report by the third-party consultant to
40 the information technology authorization committee and the joint legislative
41 budget committee before seeking review of the \$8,000,000 fiscal year
42 2014-2015 expenditure from the automation projects fund, as required by
43 section 41-714, Arizona Revised Statutes. Following the initial review of
44 fiscal year 2014-2015 expenditures, the state department of corrections shall
45 provide ongoing reports from the third-party consultant to the joint

1 legislative budget committee on the progress of the project, as determined by
2 the joint legislative budget committee.

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

17 O. The funding for the department of economic security's automation
18 project is contingent on the use of a contracted independent third-party
19 consultant to evaluate and assess the project's feasibility, estimated
20 expenditures, technology approach and scope throughout the life of the
21 project. The department of administration and the department of economic
22 security shall provide a recent report by the third-party consultant to the
23 information technology authorization committee and the joint legislative
24 budget committee before seeking review of the \$5,000,000 fiscal year
25 2014-2015 expenditure from the automation projects fund, as required by
26 section 41-714, Arizona Revised Statutes. The department of administration
27 and the department of economic security shall provide a list of specific
28 performance measures to be tracked by the new automation system when seeking
29 review of the \$5,000,000 fiscal year 2014-2015 expenditure from the
30 automation projects fund, as required by section 41-714, Arizona Revised
31 Statutes. Following the initial review of fiscal year 2014-2015
32 expenditures, the department of economic security shall provide ongoing
33 reports from the third-party consultant to the joint legislative budget
34 committee on the progress of the project, as determined by the joint
35 legislative budget committee.

36 Sec. 118. Arizona commerce authority; allocation

37 In accordance with section 43-409, Arizona Revised Statutes,
38 \$31,500,000 of state general fund withholding tax revenue is allocated in
39 fiscal year 2014-2015 to the Arizona commerce authority, of which \$10,000,000
40 is credited to the Arizona commerce authority fund established by section
41 41-1506, Arizona Revised Statutes, and \$21,500,000 is credited to the Arizona
42 competes fund established by section 41-1545.01, Arizona Revised Statutes.

1 Sec. 122. Administrative office of the courts; drug treatment;
2 family drug court programming; appropriations;
3 exemption; fiscal year 2014-2015

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

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

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

21 Sec. 123. 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, \$657,000.
- 39 2. In fiscal year 2015-2016, \$651,200.
- 40 3. In fiscal year 2016-2017, \$1,903,100.

41 Sec. 124. Appropriation; debt service payments; state buildings

42 A. The sum of \$60,108,600 is appropriated from the state general fund
43 in fiscal year 2014-2015 to the department of administration for the purpose
44 of making a debt service payment on the sale and lease-back of state

1 buildings authorized by Laws 2009, third special session, chapter 6,
2 section 32.

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

8 Sec. 125. Phoenix convention center; debt service payment

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

13 Fund Balance Transfers

14 Sec. 126. Appropriation; fund balance transfers; fiscal year
15 2014-2015; automation projects fund

16 A. The amount of \$21,100,000 is appropriated from the state general
17 fund in fiscal year 2014-2015 for deposit in the automation projects fund
18 established by section 41-714, Arizona Revised Statutes.

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

23 1. \$1,600,000 from the education learning and accountability fund
24 established by section 15-249.02, Arizona Revised Statutes.

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

30 3. \$6,157,300 from the automation operations fund established by
31 section 41-711, Arizona Revised Statutes.

32 4. Notwithstanding section 41-1651, Arizona Revised Statutes,
33 \$5,500,000 from the prison construction and operations fund established by
34 section 41-1651, Arizona Revised Statutes.

35 5. Notwithstanding section 41-1641, Arizona Revised Statutes,
36 \$2,500,000 from the corrections fund established by section 41-1641, Arizona
37 Revised Statutes.

38 6. \$6,800,000 from the emissions inspection fund established by
39 section 49-544, Arizona Revised Statutes.

40 Payment Deferrals

41 Sec. 127. Department of economic security; payment deferral;
42 appropriation; fiscal year 2015-2016

43 A. In addition to any other appropriation reductions made in fiscal
44 year 2014-2015, notwithstanding any other law, the department of economic

1 security shall defer \$35,000,000 in payments for services provided in May and
2 June 2015 until after July 1, 2015.

3 B. In addition to any other appropriations made in fiscal year
4 2015-2016, the sum of \$35,000,000 is appropriated from the state general fund
5 in fiscal year 2015-2016 to the department of economic security for the
6 purpose of paying bills for services provided in May and June 2015.

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

9 D. Of the amounts deferred in subsection A of this section, May
10 payments to providers of developmentally disabled services may not be
11 deferred.

12 Sec. 128. Reduction in school district state aid apportionment
13 in fiscal year 2014-2015; appropriations in fiscal
14 year 2015-2016

15 A. In addition to any other appropriation reductions made in fiscal
16 year 2014-2015, notwithstanding any other law, the state board of education
17 shall defer until after July 1, 2015 but no later than July 12, 2015
18 \$930,727,700 of the basic state aid and additional state aid payment that
19 otherwise would be apportioned to school districts during fiscal year
20 2014-2015 pursuant to section 15-973, Arizona Revised Statutes. The funding
21 deferral required by this subsection does not apply to charter schools or to
22 school districts with a student count of less than six hundred pupils, and
23 the state board of education shall make the deferral by reducing the
24 apportionment of state aid for each month in the fiscal year by the same
25 amount.

26 B. In addition to any other appropriations made in fiscal year
27 2015-2016, the sum of \$930,727,700 is appropriated from the state general
28 fund in fiscal year 2015-2016 to the state board of education and the
29 superintendent of public instruction for basic state aid and additional state
30 aid entitlement for fiscal year 2015-2016. This appropriation shall be
31 disbursed after July 1, 2015 but no later than July 12, 2015 to the several
32 counties for the school districts in each county in amounts equal to the
33 reductions in apportionment of basic state aid and additional state aid that
34 are required pursuant to subsection A of this section for fiscal year
35 2014-2015.

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

39 Sec. 129. Arizona board of regents; deferral; support and
40 maintenance; appropriation in fiscal year 2015-2016

41 A. In addition to any other appropriation reductions made in fiscal
42 year 2014-2015, the Arizona board of regents shall defer until after July 1,
43 2015 the sum of \$200,000,000, which is allocated to the universities in the
44 individual campus appropriations.

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

8 Statewide Adjustments

9 Sec. 130. Appropriation; operating adjustments

10 2014-2015

11 State lease-purchase and rental rate	
12 adjustments	\$ (370,300)
13 Fund sources:	
14 State general fund	\$ (192,500)
15 Other appropriated funds	\$ (177,800)
16 Annual retirement contribution	
17 rate adjustments	\$ 1,440,000
18 Fund sources:	
19 State general fund	\$ 409,100
20 Other appropriated funds	\$ 1,030,900

21 The other appropriated funds may be allocated from any funds listed in
 22 this act.

23 State lease-purchase and rental rate adjustments

24 The amount appropriated for state lease-purchase adjustments is for
 25 fiscal year 2014-2015 adjustments in agency or department lease-purchase and
 26 rental rate charges in agencies. These adjustments reflect the rentable
 27 square foot rental rate for state-owned space as prescribed in the fiscal
 28 year 2014-2015 budget procedures budget reconciliation bill. The joint
 29 legislative budget committee staff shall determine and the department of
 30 administration shall allocate to each agency or department an amount for the
 31 contribution adjustment. These adjustments may include reallocation of state
 32 general fund appropriations between state agency units. The joint
 33 legislative budget committee staff shall also determine and the department of
 34 administration shall allocate adjustments, as necessary, in expenditure
 35 authority to allow implementation of state lease-purchase and rental rate
 36 charge adjustments.

37 Annual retirement contribution rate adjustments

38 The amount appropriated for annual contribution rate adjustments is for
 39 fiscal year 2014-2015 adjustments in agency or department contributions rates
 40 due to the annual contribution rate change process. The joint legislative
 41 budget committee staff shall determine and the department of administration
 42 shall allocate to each agency or department an amount for the annual
 43 contribution rate adjustment. The joint legislative budget committee staff
 44 shall also determine and the department of administration shall allocate
 45 adjustments, as necessary, in expenditure authority to allow the

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. 131. 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. 132. 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. 133. 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. 134. 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. 135. 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. 136. 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. 137. 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. 138. 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. 139. 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.