

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

**CHAPTER 15**  
**HOUSE BILL 2709**

AN ACT

MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE  
STATE AND FOR STATE INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Capital outlay appropriations: major maintenance and  
3 repair of state buildings

4 A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the  
5 amounts appropriated in this section are appropriated for fiscal year  
6 2014-2015 to be used by the applicable agency for major maintenance and  
7 repair activities for state buildings in accordance with title 41, chapter 4,  
8 article 7, Arizona Revised Statutes. Of the amounts appropriated to the  
9 department of administration, up to \$275,000 in personal services and  
10 employee-related expenditures for up to five FTE positions may be allocated  
11 each fiscal year until the building renewal projects are completed. All  
12 other monies appropriated in this section may not be spent for personal  
13 services or employee-related expenditures or for maintenance contracts on  
14 building components and equipment without review by the joint committee on  
15 capital review. Any monies appropriated for building renewal in fiscal year  
16 2014-2015 that are unexpended or unencumbered on June 30, 2016 revert to the  
17 fund from which the monies were appropriated.

18 B. DEPARTMENT OF ADMINISTRATION \$18,000,000

19 Fund sources:

20 State general fund \$ 9,000,000

21 Capital outlay stabilization fund \$ 9,000,000

22 The department of administration shall allocate the monies to state  
23 agencies for necessary building renewal. If monies in the capital outlay  
24 stabilization fund established by section 41-792.01, Arizona Revised  
25 Statutes, are insufficient to fund the appropriation to the department of  
26 administration for building renewal, the appropriation to the department of  
27 administration is reduced by the difference between the amount appropriated  
28 to the department of administration from the capital outlay stabilization  
29 fund and the balance in the capital outlay stabilization fund.

30 C. ARIZONA BOARD OF REGENTS \$ 3,000,000

31 Fund source:

32 State general fund \$ 3,000,000

33 The Arizona board of regents shall require each university to establish  
34 a major maintenance and repair account for deposit of amounts allocated by  
35 the board to the university from the appropriation made in this subsection.  
36 Amounts deposited in this account may be used only for the purposes provided  
37 in subsection A of this section.

38 D. STATE DEPARTMENT OF CORRECTIONS \$ 8,464,300

39 Fund sources:

40 State general fund \$ 3,000,000

41 Department of corrections building  
42 renewal fund \$ 5,464,300

1 The state department of corrections shall report monthly to the joint  
2 legislative budget committee staff on the status of the projects funded under  
3 this section. The department may not spend any of this appropriation on  
4 personal services or overhead expenses related to the management of the  
5 funded projects.

6 E. ARIZONA STATE LOTTERY COMMISSION \$ 97,400

7 Fund source:

8 State lottery fund \$ 97,400

9 F. DEPARTMENT OF TRANSPORTATION \$ 3,396,800

10 Fund sources:

11 State highway fund \$ 3,191,900

12 State aviation fund \$ 204,900

13 Sec. 2. Appropriation; department of public safety; microwave  
14 communications system

15 A. The sum of \$2,000,000 is appropriated from the Arizona highway  
16 patrol fund established by section 41-1752, Arizona Revised Statutes, in  
17 fiscal year 2014-2015 to the department of public safety for the design,  
18 construction and implementation of a microwave communications system upgrade.

19 B. The department of public safety shall submit an expenditure plan  
20 and project timeline to the joint committee on capital review for its review  
21 before expending any monies appropriated for the microwave communications  
22 system upgrade.

23 Sec. 3. Appropriation; Arizona state parks board; capital  
24 improvements

25 A. The sum of \$1,500,000 is appropriated from the state parks revenue  
26 fund established by section 41-511.21, Arizona Revised Statutes, in fiscal  
27 year 2014-2015 to the Arizona state parks board for capital improvements.

28 B. The Arizona state parks board shall submit the scope, purpose and  
29 estimated cost of the capital improvements to the joint committee on capital  
30 review for its review pursuant to section 41-1252, Arizona Revised Statutes.

31 Sec. 4. Appropriation; Arizona exposition and state fair board;  
32 capital improvements

33 A. The sum of \$1,000,000 is appropriated from the Arizona exposition  
34 and state fair fund established by section 3-1005, Arizona Revised Statutes,  
35 in fiscal year 2014-2015 to the Arizona exposition and state fair board for  
36 capital improvements.

37 B. The Arizona exposition and state fair board shall submit the scope,  
38 purpose and estimated cost of the capital improvements to the joint committee  
39 on capital review for its review pursuant to section 41-1252, Arizona Revised  
40 Statutes.

41 Sec. 5. Appropriation; department of veterans' services;  
42 veterans' home facility; exemption

43 A. The sum of \$9,200,000 is appropriated from the state general fund  
44 in fiscal year 2014-2015 to the department of veterans' services for  
45 construction and establishment of a veterans' home facility in Yuma.

1 B. The amount appropriated in subsection A of this section is intended  
2 to be this state's share of the costs, and is not subject to expenditure for  
3 any purpose unless the department of veterans' services has irrevocable  
4 commitments from the United States government for funding at least sixty-five  
5 per cent of the total costs.

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

9 D. The department of veterans' services shall submit the scope,  
10 purpose and estimated cost of the veterans' home facility in Yuma to the  
11 joint committee on capital review for its review pursuant to section 41-1252,  
12 Arizona Revised Statutes.

13 Sec. 6. Capital outlay appropriations; major capital projects;  
14 department of transportation; reports

	<u>2014-2015</u>
15 Department of transportation:	
16 1. <u>Statewide highway construction</u>	\$208,899,000
17 Fund source:	
18 State highway fund	\$208,899,000

19 The amount appropriated for highway construction is from the state  
20 highway fund established by section 28-6991, Arizona Revised Statutes, for  
21 the planning and construction of state highways, including the national  
22 system of interstate highways within this state, the state primary or  
23 secondary system, the county primary or secondary system and urban rural  
24 routes, the acquisition of rights-of-way, the cost of contracted field  
25 administration and field engineering on construction projects and debt  
26 service payments on bonds issued for highway construction. Any balances and  
27 collections in the state highway fund in excess of the specific amounts  
28 appropriated in the general appropriations act and in this act are  
29 appropriated to the department for the purposes provided in this paragraph.

30 The department of transportation shall report on or before November 1,  
31 2014 to the joint committee on capital review on its actual prior year,  
32 estimated current year and upcoming budget year highway construction expenses  
33 from all fund sources, including appropriated monies, federal monies, local  
34 agency monies, state highway monies, bond proceeds and regional area road  
35 monies. The report must be in the same format as in the prior year unless  
36 modifications have been approved by the directors of the joint legislative  
37 budget committee and the governor's office of strategic planning and  
38 budgeting.

39 On or before November 1, 2014, the department of transportation shall  
40 report capital outlay information for fiscal years 2013-2014, 2014-2015 and  
41 2015-2016 to the directors of the joint legislative budget committee and the  
42 governor's office of strategic planning and budgeting. This information must  
43 appear in the same format as tables two, three and six, as found in the  
44 fiscal year 2013-2014 appropriations report.

1 On or before November 1, 2014, the department of transportation shall  
2 report the department's estimated outstanding debt principal balance at the  
3 end of fiscal year 2015-2016 and the estimated debt service payment amount  
4 for fiscal year 2015-2016 to the directors of the joint legislative budget  
5 committee and the governor's office of strategic planning and budgeting.  
6 This report must include state highway fund statewide construction bonds,  
7 Arizona highway user revenue fund, Maricopa association of governments and  
8 Pima association of governments controlled access bonds, Maricopa regional  
9 area road fund bonds and grant anticipation notes and is intended to be  
10 comparable to the information in the fiscal year 2014-2015 appropriations  
11 report.

12 2. Airport planning and development \$ 20,012,300

13 Fund source:

14 State aviation fund \$ 20,012,300

15 The amount is appropriated from the state aviation fund established by  
16 section 28-8202, Arizona Revised Statutes, for the planning, construction,  
17 development and improvement of state, county, city or town airports as  
18 determined by the state transportation board. Any balances and collections  
19 in the state aviation fund in excess of the specific amounts appropriated in  
20 the general appropriations act and in this act are appropriated to the  
21 department of transportation for the purposes provided in this paragraph.

22 3. De-icer buildings \$ 2,280,000

23 Fund source:

24 State highway fund \$ 2,280,000

25 The amount is appropriated from the state highway fund for five de-icer  
26 buildings.

27 4. Vehicle wash systems \$ 3,000,000

28 Fund source:

29 State highway fund \$ 3,000,000

30 The amount is appropriated from the state highway fund for six vehicle  
31 wash systems.

32 Total appropriation - department of transportation \$234,191,300

33 Fund sources:

34 State highway fund \$214,179,000

35 State aviation fund \$ 20,012,300

36 Sec. 7. Department of administration reports; FTE positions;  
37 reallocations; report

38 A. The department of administration shall report on the status of  
39 project-specific FTE positions for capital projects in its annual capital  
40 budget request.

41 B. The department of administration may allocate FTE positions  
42 authorized for specific projects to other projects in this act if the funding  
43 for the FTE positions is cost allocated among the projects receiving benefit.  
44 The department of administration shall report any FTE position reallocations  
45 to the joint committee on capital review on or before December 31, 2014.

46 Sec. 8. Use of appropriations; limitation

1 Unless otherwise specified, the monies appropriated in this act may not  
2 be spent for personal services or employee-related expenditures of state  
3 employees, excluding any services provided as part of the inmate construction  
4 program for correctional facilities.

5 Sec. 9. Lapsing; exemption

6 Unless otherwise specified, the appropriations made in this act do not  
7 lapse until the purpose for which the appropriation was made has been  
8 accomplished or abandoned, or the appropriation stands for a full fiscal year  
9 without an expenditure or an encumbrance.

10 Sec. 10. JCCR review

11 Pursuant to section 41-1252, Arizona Revised Statutes, the joint  
12 committee on capital review shall review the scope, purpose and estimated  
13 cost of a new capital project that has an estimated cost of more than  
14 \$250,000.

APPROVED BY THE GOVERNOR APRIL 11, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2014.