

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

SENATE BILL 1561

AN ACT

AMENDING TITLE 35, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 1.1; RELATING TO APPROPRIATION OF FEDERAL MONIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 35, Arizona Revised Statutes, is amended by adding
3 chapter 1.1, to read:

4 CHAPTER 1.1

5 APPROPRIATION OF FEDERAL MONIES

6 ARTICLE 1. GENERAL PROVISIONS

7 35-251. Definition of noncustodial federal monies

8 FOR THE PURPOSES OF THIS CHAPTER, "NONCUSTODIAL FEDERAL MONIES":

9 1. MEANS FEDERAL MONIES THAT MEET ONE OF THE FOLLOWING CRITERIA:

10 (a) ARE DESIGNATED BY THE FEDERAL GOVERNMENT AS BLOCK GRANT MONIES.

11 (b) ARE DESIGNATED BY THE FEDERAL GOVERNMENT AS GENERAL REVENUE
12 SHARING MONIES.

13 (c) PROVIDE THIS STATE WITH BROAD AUTHORITY TO MAKE SPENDING DECISIONS
14 REGARDING THE DEVELOPMENT, IMPLEMENTATION OR OPERATION OF A PROGRAM OR
15 SERVICE.

16 (d) ARE CONSIDERED ESSENTIAL TO MEET TOTAL SPENDING OBLIGATIONS OF A
17 FEDERALLY REQUIRED OR MATCHED PROGRAM OR SERVICE AUTHORIZED BY THE
18 LEGISLATURE IN WHICH THE FEDERAL GOVERNMENT REQUIRES AT LEAST ONE PER CENT OF
19 THE PROGRAM OR SERVICE FUNDING TO COME FROM THIS STATE.

20 2. DOES NOT INCLUDE FEDERAL MONIES OR RESEARCH GRANTS AWARDED TO THE
21 UNIVERSITIES, UNIVERSITY EMPLOYEES OR THE ARIZONA BOARD OF REGENTS FOR AND ON
22 BEHALF OF THE UNIVERSITIES UNDER THEIR JURISDICTION, FEDERAL MONIES FOR USE
23 BY THE DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS AND FEDERAL MONIES
24 AWARDED DIRECTLY TO SCHOOL DISTRICTS OR COMMUNITY COLLEGES.

25 35-252. Receipt of noncustodial federal monies; accounting

26 ALL NONCUSTODIAL FEDERAL MONIES RECEIVED BY ANY BUDGET UNIT SHALL BE
27 ACCOUNTED FOR IN SEPARATE ACCOUNTS OR FUNDS AS NECESSARY TO MEET ACCOUNTING,
28 BUDGETARY AND AUDITING REQUIREMENTS. THE DEPARTMENT OF ADMINISTRATION MAY
29 USE THE MOST EFFICIENT SYSTEM OF ACCOUNTS AND RECORDS, CONSISTENT WITH LEGAL
30 REQUIREMENTS AND STANDARDS, AND NECESSARY FISCAL SAFEGUARDS.

31 35-253. Appropriation of federal monies; legislative powers and
32 duties

33 A. THE LEGISLATURE RETAINS THE AUTHORITY TO APPROPRIATE NONCUSTODIAL
34 FEDERAL MONIES. IF THE LEGISLATURE DOES NOT MAKE AN APPROPRIATION FOR EITHER
35 A PARTICULAR FUND, SPECIFIC GRANT PROGRAM OR BLOCK OF NONCUSTODIAL FEDERAL
36 MONIES, THE BUDGET UNIT THAT HAS LAWFUL AUTHORITY SHALL ADMINISTER AND SPEND
37 THESE MONIES PURSUANT TO FEDERAL AND STATE LAW.

38 B. THE LEGISLATURE SHALL SPECIFY IN EACH FEDERAL MONIES APPROPRIATION
39 THE PURPOSES FOR WHICH FEDERAL MONIES ARE TO BE USED, CONSISTENT WITH FEDERAL
40 LAW. FOR PURPOSES OF OBTAINING EXPENDITURE AUTHORITY FOR UNANTICIPATED
41 FEDERAL MONIES THAT MAY BECOME AVAILABLE WHEN THE LEGISLATURE IS NOT IN
42 SESSION, THE LEGISLATURE MAY MAKE A LUMP SUM APPROPRIATION. THE JOINT
43 LEGISLATIVE BUDGET COMMITTEE SHALL REVIEW IN ADVANCE THE EXPENDITURE OF ANY
44 MONIES FROM THE LUMP SUM APPROPRIATION, SUBJECT TO ANY CONDITION SPECIFIED BY
45 THE LEGISLATURE.

1 C. IF THE AMOUNT OF THE FEDERAL MONIES RECEIVED IS LESS THAN THE
2 AMOUNT APPROPRIATED, THE APPROPRIATION OF FEDERAL MONIES SHALL BE REDUCED TO
3 THE AMOUNT OF THE FEDERAL MONIES RECEIVED. THE ACTIVITIES FINANCED BY THE
4 FEDERAL MONIES SHALL BE REDUCED PROPORTIONATELY.

5 D. IF THE AMOUNT OF THE FEDERAL MONIES RECEIVED IS MORE THAN THE
6 AMOUNT APPROPRIATED, THE TOTAL APPROPRIATION OF FEDERAL AND STATE MONIES
7 ALLOCATED FOR A PROGRAM SHALL REMAIN AT THE AMOUNT DESIGNATED BY THE
8 LEGISLATURE. THE STATE TREASURER SHALL CREDIT THE EXCESS FEDERAL MONIES TO
9 THE APPROPRIATE BUDGET UNIT ACCOUNT.