

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

CHAPTER 294
SENATE BILL 1523

AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Repeal

3 Laws 2011, chapter 24, section 130 is repealed.

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

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

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

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

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

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

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

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

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

39 Sec. 5. BOARD OF ACCOUNTANCY

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

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

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

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

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

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

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

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

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

10 Sec. 8. OFFICE OF ADMINISTRATIVE HEARINGS

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

17 Sec. 9. DEPARTMENT OF AGRICULTURE

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

31 Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

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

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

22 Operating budget

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

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

34 Medical services

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

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

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

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

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

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

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

22 Payments to hospitals

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

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

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

46 Sec. 11. BOARD OF APPRAISAL

1			<u>2012-13</u>
2	FTE positions		5.5
3	Lump sum appropriation	\$	755,500
4	Fund sources:		
5	Board of appraisal fund	\$	755,500
6	Sec. 12. BOARD OF ATHLETIC TRAINING		
7			<u>2012-13</u>
8	FTE positions		1.5
9	Lump sum appropriation	\$	101,200
10	Fund sources:		
11	Athletic training fund	\$	101,200
12	Sec. 13. ATTORNEY GENERAL - DEPARTMENT OF LAW		
13			<u>2012-13</u>
14	FTE positions		547.9
15	Operating lump sum appropriation	\$	45,843,700
16	State grand jury		176,800
17	Victims' rights		3,238,700
18	Risk management interagency		
19	service agreement		<u>8,765,900</u>
20	Total appropriation - attorney general -		
21	department of law	\$	58,025,100
22	Fund sources:		
23	State general fund	\$	22,046,500
24	Antitrust enforcement revolving		
25	fund		241,200
26	Attorney general legal services		
27	cost allocation fund		1,997,100
28	Collection enforcement revolving		
29	fund		5,291,900
30	Consumer protection - consumer		
31	fraud revolving fund		3,439,800
32	Interagency service agreements		
33	fund		13,004,000
34	Risk management revolving fund		8,765,900
35	Victims' rights fund		3,238,700

36 The attorney general shall notify the president of the senate, the
37 speaker of the house of representatives and the joint legislative budget
38 committee before entering into a settlement of \$100,000 or more that will
39 result in the receipt of monies by the attorney general or any other person.
40 The attorney general shall not allocate or expend these monies until the
41 joint legislative budget committee reviews the allocations or expenditures.
42 Settlements that pursuant to statute must be deposited in the state general
43 fund need not be reviewed by the joint legislative budget committee. This
44 paragraph does not apply to actions under title 13, Arizona Revised Statutes,
45 or other criminal matters.

1 In addition to the \$13,004,000 appropriated from the interagency
 2 service agreements fund in fiscal year 2012-2013, an additional \$800,000 and
 3 11 FTE positions are appropriated from the interagency service agreements
 4 fund in fiscal year 2012-2013 for new or expanded interagency service
 5 agreements. The attorney general shall report to the joint legislative
 6 budget committee whenever an interagency service agreement is established
 7 that will require expenditures from the additional amount. The report shall
 8 include the name of the agency or entity with which the agreement is made,
 9 the dollar amount of the contract by fiscal year and the number of associated
 10 FTE positions.

11 Sec. 14. AUTOMOBILE THEFT AUTHORITY

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

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

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

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

30 Sec. 15. BOARD OF BARBERS

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

36 Sec. 16. BOARD OF BEHAVIORAL HEALTH EXAMINERS

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

43 Sec. 17. STATE BOARD FOR CHARTER SCHOOLS

	<u>2012-13</u>
44 FTE positions	9.0
45 Lump sum appropriation	\$ 750,600

1	Fund sources:	
2	State general fund	\$ 750,600
3	Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS	
4		<u>2012-13</u>
5	FTE positions	5.0
6	Lump sum appropriation	\$ 452,100
7	Fund sources:	
8	Board of chiropractic examiners	
9	fund	\$ 452,100
10	Sec. 19. ARIZONA COMMUNITY COLLEGES	
11		<u>2012-13</u>
12	<u>Equalization aid</u>	
13	Cochise	\$ 5,614,700
14	Graham	16,867,300
15	Navajo	<u>5,370,100</u>
16	Total - equalization aid	\$ 27,852,100
17	<u>Operating state aid</u>	
18	Cochise	\$ 5,784,600
19	Coconino	1,847,900
20	Gila	410,000
21	Graham	2,373,200
22	Maricopa	8,315,700
23	Mohave	1,785,600
24	Navajo	1,689,700
25	Pima	7,353,500
26	Pinal	2,107,800
27	Santa Cruz	63,500
28	Yavapai	957,600
29	Yuma/La Paz	<u>2,802,600</u>
30	Total - operating state aid	\$ 35,491,700
31	Rural county reimbursement subsidy	<u>\$ 848,800</u>
32	Total appropriation - Arizona community	
33	colleges	\$ 64,192,600
34	Fund sources:	
35	State general fund	\$ 64,192,600
36	Of the \$848,800 appropriated to the rural county reimbursement subsidy	
37	line item, Apache county will receive \$466,000 and Greenlee county \$382,800.	
38	Sec. 20. REGISTRAR OF CONTRACTORS	
39		<u>2012-13</u>
40	FTE positions	105.6
41	Operating lump sum appropriation	\$ 10,985,100
42	Office of administrative hearings	
43	costs	<u>1,017,600</u>
44	Total appropriation - registrar of	
45	contractors	\$ 12,002,700
46	Fund sources:	

1 Registrar of contractors fund \$ 12,002,700
 2 Any transfer to or from the amount appropriated for the office of
 3 administrative hearings costs line item shall require review by the joint
 4 legislative budget committee.

5 Sec. 21. CORPORATION COMMISSION

6		<u>2012-13</u>
7	FTE positions	297.9
8	Operating lump sum appropriation	\$ 25,046,900
9	Corporation filings, same day	
10	service	400,400
11	Utilities audits, studies,	
12	investigations and hearings	<u>380,000*</u>
13	Total appropriation - corporation commission	\$ 25,827,300

14 Fund sources:

15	State general fund	\$ 586,400
16	Arizona arts trust fund	49,900
17	Investment management regulatory	
18	and enforcement fund	678,700
19	Public access fund	6,399,600
20	Securities regulatory and	
21	enforcement fund	4,614,100
22	Utility regulation revolving fund	13,498,600

23 The \$400,400 appropriated from the public access fund for the
 24 corporation filings, same day service line item shall revert to the public
 25 access fund at the end of fiscal year 2012-2013 if the commission cannot
 26 process all expedited services within five business days and all regular
 27 services within thirty business days in accordance with sections 10-122,
 28 10-3122 and 29-851, Arizona Revised Statutes.

29 Sec. 22. STATE DEPARTMENT OF CORRECTIONS

30		<u>2012-13</u>
31	FTE positions	10,118.2
32	Operating lump sum appropriation	\$ 868,417,100
33	Private prison per diem	<u>127,636,600</u>

34 Total appropriation - state department
 35 of corrections \$ 996,053,700

36 Fund sources:

37	State general fund	\$ 951,154,600
38	State education fund for	
39	correctional education	503,500
40	Alcohol abuse treatment fund	554,400
41	Penitentiary land fund	979,200
42	State charitable, penal and	
43	reformatory institutions	
44	land fund	360,000
45	Corrections fund	27,517,600
46	Transition program fund	3,485,000

1	Prison construction and operations	
2	fund	11,499,400

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

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

11 A monthly report comparing state department of corrections expenditures
12 for the month and year-to-date as compared to prior year expenditures shall
13 be forwarded to the president of the senate, the speaker of the house of
14 representatives, the chairpersons of the senate and house of representatives
15 appropriations committees and the director of the joint legislative budget
16 committee by the thirtieth of the following month. The report shall be in
17 the same format as the prior fiscal year and shall include an estimate of
18 potential shortfalls, potential surpluses that may be available to offset
19 these shortfalls and a plan, if necessary, for eliminating any shortfall
20 without a supplemental appropriation.

21 The appropriation provides for 38,706 ongoing funded beds. The state
22 department of corrections shall provide a report on bed capacity to the joint
23 legislative budget committee for its review by August 1 annually. The report
24 shall reflect the bed capacity for each security classification at each
25 state-run and private institution, divided by funded, rated and total beds,
26 for June 30 of the previous fiscal year and June 30 of the current fiscal
27 year, and the reasons for any change within that time period. Within the
28 total bed count, the department shall provide the number of temporary and
29 special use beds.

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

34 Twenty-five per cent of land earnings and interest from the state
35 charitable, penal and reformatory institutions land fund shall be distributed
36 to the state department of corrections in compliance with the enabling act
37 and the Constitution of Arizona to be used for the support of state penal
38 institutions.

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

43 Sec. 23. COSMETOLOGY BOARD

44		<u>2012-13</u>
45	FTE positions	24.5
46	Lump sum appropriation	\$ 1,742,100

1	Fund sources:	
2	Board of cosmetology fund	\$ 1,742,100
3	Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION	
4		<u>2012-13</u>
5	FTE positions	8.0
6	Operating lump sum appropriation	\$ 859,400
7	State aid to county attorneys	973,600
8	Victim compensation and assistance	<u>3,792,500</u>
9	Total appropriation - Arizona criminal	
10	justice commission	\$ 5,625,500

11	Fund sources:	
12	Criminal justice enhancement fund	\$ 624,700
13	Drug and gang prevention resource	
14	center fund	234,700
15	State aid to county attorneys fund	973,600
16	Victim compensation and assistance	
17	fund	3,792,500

18 All victim compensation and assistance receipts received by the Arizona
 19 criminal justice commission in excess of \$3,792,500 in fiscal year 2012-2013
 20 are appropriated to the crime victims program. Before the expenditure of any
 21 victim compensation and assistance receipts in excess of \$3,792,500 in fiscal
 22 year 2012-2013, the Arizona criminal justice commission shall report the
 23 intended use of the monies to the joint legislative budget committee.

24 All state aid to county attorneys fund receipts received by the Arizona
 25 criminal justice commission in excess of \$973,600 in fiscal year 2012-2013
 26 are appropriated to the state aid to the county attorney program. Before the
 27 expenditure of any state aid to county attorneys fund receipts in excess of
 28 \$973,600, the Arizona criminal justice commission shall report the intended
 29 use of the monies to the joint legislative budget committee.

30	Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND	
31		<u>2012-13</u>
32	FTE positions	541.2
33	Administration/statewide	\$ 3,587,000
34	Phoenix day school for the deaf	8,875,100
35	Tucson campus	14,001,800
36	Regional cooperatives	797,500
37	Preschool/outreach programs	5,412,400
38	School bus replacement	738,000
39	Voucher fund adjustment	<u>614,400</u>

40 Total appropriation - Arizona state schools
 41 for the deaf and the blind \$ 34,026,200

42	Fund sources:	
43	State general fund	\$ 20,686,300
44	Arizona state schools for the	
45	deaf and the blind fund	13,339,900

1 Before the expenditure of any Arizona state schools for the deaf and
2 the blind fund monies in excess of \$13,339,900 in fiscal year 2012-2013, the
3 Arizona state schools for the deaf and the blind shall report to the joint
4 legislative budget committee the intended use of the funds.

5 Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING
6 2012-13
7 FTE positions 15.0
8 Lump sum appropriation \$ 3,745,700
9 Fund sources:
10 Telecommunication fund for
11 the deaf \$ 3,745,700

12 Sec. 27. STATE BOARD OF DENTAL EXAMINERS
13 2012-13
14 FTE positions 11.0
15 Lump sum appropriation \$ 1,183,800
16 Fund sources:
17 Dental board fund \$ 1,183,800

18 Sec. 28. DEPARTMENT OF ECONOMIC SECURITY
19 2012-13
20 FTE positions 5,453.5
21 Operating lump sum appropriation \$291,385,900
22 Administration
23 Attorney general legal services 21,338,400
24 Aging and community services
25 Adult services 6,924,100
26 Community and emergency services 3,724,000
27 Coordinated hunger 1,754,600
28 Coordinated homeless 2,522,600
29 Domestic violence prevention 12,123,700
30 Benefits and medical eligibility
31 Temporary assistance for needy
32 families cash benefits 44,999,400
33 Tribal pass-through funding 4,680,300
34 Child support enforcement
35 County participation 8,600,200
36 Children, youth and families
37 Adoption services 74,772,000
38 Children support services 68,867,600
39 CPS emergency and residential
40 placement 22,201,700
41 Foster care placement 21,212,600
42 Independent living maintenance 2,719,300
43 Permanent guardianship subsidy 11,215,300
44 Developmental disabilities
45 Case management - medicaid 38,071,900
46 Home and community based

1	services - medicaid	690,196,700
2	Institutional services -	
3	medicaid	19,334,100
4	Medical services	138,936,500
5	Arizona training program at	
6	Coolidge - medicaid	15,601,500
7	Medicare clawback payments	2,848,400
8	Case management - state-only	3,846,000
9	Home and community based	
10	services - state-only	32,615,300
11	State-funded long-term care	
12	services	26,528,100
13	<u>Employment and rehabilitation services</u>	
14	JOBS	13,005,600
15	Day care subsidy	121,396,600
16	Independent living rehabilitation	
17	services	1,289,400
18	Rehabilitation services	3,799,100
19	Workforce investment act	
20	services	<u>51,654,600</u>
21	Total appropriation - department of	
22	economic security	\$1,758,165,500
23	Fund sources:	
24	State general fund	\$ 576,057,500
25	Federal child care and	
26	development fund block grant	130,567,500
27	Federal temporary assistance for	
28	needy families block grant	220,775,800
29	Public assistance collections	
30	fund	423,900
31	Special administration fund	1,129,900
32	Spinal and head injuries trust	
33	fund	1,864,700
34	Statewide cost allocation plan	
35	fund	1,000,000
36	Child abuse prevention fund	1,459,100
37	Children and family services	
38	training program fund	205,300
39	Child support enforcement	
40	administration fund	16,534,900
41	Domestic violence shelter fund	2,220,000
42	Long-term care system fund	74,735,700
43	Workforce investment act grant	56,029,800
44	Child support enforcement	
45	administration fund expenditure	
46	authority	40,320,200

1 Expenditure authority 634,841,200

2 Administration

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

11 Aging and community services

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

17 The department of economic security shall report to the joint
18 legislative budget committee on the amount of state and federal monies
19 available statewide for domestic violence funding by December 15, 2012. The
20 report shall include, at a minimum, the amount of monies available and the
21 state fiscal agent receiving those monies.

22 Benefits and medical eligibility

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

26 Of the amount appropriated for temporary assistance for needy families
27 cash benefits, \$500,000 reflects appropriation authority only to ensure
28 sufficient cash flow to administer cash benefits for tribes operating their
29 own welfare programs. The department shall notify the joint legislative
30 budget committee and the governor's office of strategic planning and
31 budgeting staff before the use of any of the \$500,000 appropriation
32 authority.

33 Child support enforcement

34 All state share of retained earnings, fees and federal incentives above
35 \$16,534,900 received by the division of child support enforcement are
36 appropriated for operating expenditures. New full-time equivalent positions
37 may be authorized with the increased funding. Before the expenditure of
38 these increased monies, the department of economic security shall report the
39 intended use of the monies to the joint legislative budget committee.

40 Children, youth and families

41 Of the amounts appropriated for children support services, CPS
42 emergency and residential placement and foster care placement, the department
43 may transfer up to ten per cent of the total amount of federal temporary
44 assistance for needy families block grant monies appropriated to the
45 department of economic security to the social services block grant for use in
46 the following line items in the division of children, youth and families:

1 children support services, CPS emergency and residential placement and foster
2 care placement. Before transferring federal temporary assistance for needy
3 families block grant monies to the social services block grant, the
4 department shall report the proposed amount of the transfer to the director
5 of the joint legislative budget committee. This report may be in the form of
6 an expenditure plan that is submitted at the beginning of the fiscal year and
7 updated, if necessary, throughout the fiscal year.

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

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

14 Developmental disabilities

15 The department of economic security shall report all new placements
16 into a state-owned ICF-MR or the Arizona training program at Coolidge campus
17 in fiscal year 2012-2013 to the president of the senate, the speaker of the
18 house of representatives, the chairpersons of the senate and house of
19 representatives appropriations committees and the director of the joint
20 legislative budget committee and the reason why this placement, rather than a
21 placement into a privately run facility for the developmentally disabled, was
22 deemed as the most appropriate placement. The department shall also report
23 if no new placements were made. This report shall be made available by July
24 15, 2013.

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

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

44 Prior to the implementation of any developmentally disabled or
45 long-term care statewide provider rate adjustments not already specifically
46 authorized by the legislature, court mandates or changes to federal law, the

1 department shall submit a report for review by the joint legislative budget
2 committee. The report shall include, at a minimum, the estimated cost of the
3 provider rate adjustment and the ongoing source of funding for the
4 adjustment, if applicable.

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

8 Employment and rehabilitation services

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

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

18 Departmentwide

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

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

35 Any federal temporary assistance for needy families block grant monies
36 received in fiscal year 2012-2013, including the beginning balance, by the
37 department of economic security in excess of \$220,775,800 is appropriated to
38 the department in fiscal year 2012-2013. For every dollar the department of
39 economic security receives in federal temporary assistance for needy families
40 block grant monies in fiscal year 2012-2013 in excess of the \$220,775,800
41 appropriated, there shall be a corresponding dollar reduction in the
42 department's long-term care system fund appropriation. On or before June 30,
43 2013, the department shall notify the joint legislative budget committee and
44 the governor's office of strategic planning and budgeting of the amount of
45 long-term care system fund monies, if any, that will not be expended under
46 this provision.

1	Sec. 29. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION	
2		<u>2012-13</u>
3	FTE positions	171.4
4	Operating lump sum appropriation	\$ 7,725,200
5	Fund sources:	
6	State general fund	\$ 7,591,300
7	Teacher certification fund	133,900
8	The operating lump sum appropriation includes \$291,100 and 4 FTE	
9	positions for average daily membership auditing and \$200,000 and 2 FTE	
10	positions for information technology security services.	
11	Basic state aid	\$2,169,077,300
12	Fund sources:	
13	State general fund	\$2,122,601,800
14	Permanent state school fund	46,475,500
15	The above appropriation provides basic state support to school	
16	districts for maintenance and operations funding as provided by section	
17	15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in	
18	expendable income derived from the permanent state school fund and from state	
19	trust lands pursuant to section 37-521, subsection B, Arizona Revised	
20	Statutes, for fiscal year 2012-2013.	
21	The portion of the above appropriation for basic state aid for charter	
22	school additional assistance pursuant to section 15-185, subsection B,	
23	paragraph 4, Arizona Revised Statutes, includes a \$15,656,000 reduction.	
24	Receipts derived from the permanent state school fund and any other	
25	nonstate general fund revenue source that is dedicated to fund basic state	
26	aid will be expended, whenever possible, before expenditure of state general	
27	fund monies.	
28	Except as required by section 37-521, Arizona Revised Statutes, all	
29	monies received during the fiscal year from national forests, interest	
30	collected on deferred payments on the purchase of state lands, the income	
31	from the investment of permanent funds as prescribed by the enabling act and	
32	the Constitution of Arizona and all monies received by the superintendent of	
33	public instruction from whatever source, except monies received pursuant to	
34	sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the	
35	state treasury are appropriated for apportionment to the various counties in	
36	accordance with law. An expenditure shall not be made except as specifically	
37	authorized above.	
38	Additional state aid	\$303,188,200
39	Special education fund	33,242,100
40	Other state aid to districts	983,900
41	Accountability and achievement	
42	testing	10,217,400
43	Fund sources:	
44	State general fund	\$ 3,217,400
45	Proposition 301 fund	7,000,000

1 Before making any changes to the achievement testing program that will
 2 increase program costs, the state board of education shall report the
 3 estimated fiscal impact of those changes to the joint legislative budget
 4 committee.

5 Education learning and
 6 accountability system 6,200,000

7 Fund sources:

8 State general fund \$ 5,000,000

9 Education learning and
 10 accountability fund 1,200,000

11 For fiscal year 2012-2013, the state board of education, in
 12 collaboration with the department, shall report quarterly by the last day of
 13 each calendar quarter on its progress in implementing the education learning
 14 and accountability system and other related projects that may be funded
 15 through the education learning and accountability fund to the president of
 16 the senate, the speaker of the house of representatives, the chairpersons of
 17 the senate and house of representatives appropriations committees, the
 18 director of the joint legislative budget committee and the director of the
 19 governor's office of strategic planning and budgeting. The quarterly report
 20 shall include an assessment of progress from an independent third party that
 21 is not affiliated with state government.

22 English learner administration \$ 3,958,200

23 The appropriated amount is to be used by the department of education to
 24 provide English language acquisition services for the purposes of section
 25 15-756.07, Arizona Revised Statutes, and for the costs of providing English
 26 language proficiency assessments, scoring and ancillary materials as
 27 prescribed by the department of education to school districts and charter
 28 schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised
 29 Statutes. The department of education may use a portion of the appropriated
 30 amount to hire staff or contract with a third party to carry out the purposes
 31 of section 15-756.07, Arizona Revised Statutes. Notwithstanding section
 32 41-192, Arizona Revised Statutes, the superintendent of public instruction
 33 also may use a portion of the appropriated amount to contract with one or
 34 more private attorneys to provide legal services in connection with the case
 35 of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

36 Arizona structured English immersion
 37 fund 8,791,400

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

40 State block grant for vocational
 41 education 11,492,700

42 K-3 reading 40,000,000

43 The appropriated amount is for funding costs of the K-3 reading weight
 44 established in section 15-943, Arizona Revised Statutes, except that the
 45 state board of education may use up to \$1,500,000 of the appropriated amount

1 on technical assistance and state level administration of the K-3 reading
2 program. The appropriated amount includes 2 FTE positions.

3 Innovative education program grants 3,000,000

4 The state board of education shall use the appropriated one-time amount
5 to fund innovative educational programs in public schools. The state board
6 of education shall award program funding on a competitive grant basis.
7 Grants shall be awarded only for use in school districts and charter schools
8 for innovative education programs that have a proven track record of success
9 in improving student achievement and on related technology, instructional
10 delivery and materials. Each grantee shall be required to match its state
11 grant with an equal or greater amount of private sector funding. Grantees
12 shall submit a report on program results to the state board of education on
13 or before October 1, 2013.

14 Teacher certification \$ 1,781,200

15 Fund sources:

16 Teacher certification fund \$ 1,781,200

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

18 Fund sources:

19 State general fund \$ 1,212,200

20 Teacher certification fund 368,700

21 The state board of education program may establish its own strategic
22 plan separate from that of the department of education and based on its own
23 separate mission, goals and performance measures.

24 Total appropriation - state board of
25 education and superintendent
26 of public instruction

27 \$2,601,238,500

28 Fund sources:

29 State general fund \$2,544,279,200

30 Proposition 301 fund 7,000,000

31 Permanent state school fund 46,475,500

32 Teacher certification fund 2,283,800

33 Education learning and
34 accountability fund 1,200,000

35 The department shall provide an updated report on its budget status
36 every three months for the first half of each fiscal year and every month
37 thereafter to the president of the senate, the speaker of the house of
38 representatives, the chairpersons of the senate and house of representatives
39 appropriations committees, the director of the joint legislative budget
40 committee and the director of the governor's office of strategic planning and
41 budgeting. Each report shall include, at a minimum, the department's current
42 funding surplus or shortfall projections for basic state aid and other major
43 formula-based programs and shall be due thirty days after the end of the
44 applicable reporting period.

45 Within fifteen days of each apportionment of state aid that occurs
46 pursuant to section 15-973, subsection B, Arizona Revised Statutes, the

1 department shall post on its website the amount of state aid apportioned to
 2 each recipient and the underlying data.

3 Sec. 30. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

4		<u>2012-13</u>
5	FTE positions	61.1
6	Administration	\$ 1,621,300
7	Emergency management	837,000
8	Military affairs	<u>2,495,400</u>
9	Total appropriation - department of	
10	emergency and military affairs	\$ 4,953,700
11	Fund sources:	
12	State general fund	\$ 4,821,000
13	Emergency response fund	132,700

14 The department of emergency and military affairs appropriation includes
 15 \$1,215,000 for service contracts. This amount is exempt from the provisions
 16 of section 35-190, Arizona Revised Statutes, relating to lapsing of
 17 appropriations, except that all fiscal year 2012-2013 monies remaining
 18 unexpended and unencumbered on October 31, 2013, revert to the state general
 19 fund.

20 Sec. 31. DEPARTMENT OF ENVIRONMENTAL QUALITY

21		<u>2012-13</u>
22	FTE positions	322.0
23	Operating lump sum appropriation	\$ 47,107,200
24	Emissions control contractor	
25	payment	<u>21,119,500</u>
26	Total appropriation - department of	
27	environmental quality	\$ 68,226,700
28	Fund sources:	
29	Air permits administration fund	\$ 7,008,600
30	Air quality fund	5,370,400
31	Emissions inspection fund	28,336,100
32	Hazardous waste management fund	1,712,100
33	Indirect cost recovery fund	12,873,200
34	Recycling fund	1,200,000
35	Solid waste fee fund	1,217,500
36	Underground storage tank	
37	revolving fund	22,000
38	Used oil fund	138,900
39	Water quality fee fund	10,347,900

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

44 The department of environmental quality shall report annually on the
 45 progress of WQARF activities, including emergency response, priority site
 46 remediation, cost recovery activity, revenue and expenditure activity and

1 other WQARF-funded program activity. This report shall also include a budget
 2 for the WQARF program that is developed in consultation with the WQARF
 3 advisory board. The fiscal year 2012-2013 report shall be submitted to the
 4 joint legislative budget committee by September 1, 2012. This budget shall
 5 specify the monies budgeted for each listed site during fiscal year
 6 2012-2013. In addition, the department and the advisory board shall prepare
 7 and submit to the joint legislative budget committee, by October 2, 2012, a
 8 report in a table format summarizing the current progress on remediation of
 9 each listed site on the WQARF registry. The table shall include the stage of
 10 remediation for each site at the end of fiscal year 2011-2012, whether the
 11 current stage of remediation is anticipated to be completed in fiscal year
 12 2012-2013 and the anticipated stage of remediation at each listed site at the
 13 end of fiscal year 2012-2013, assuming fiscal year 2012-2013 funding levels.
 14 The department and advisory board may include other relevant information
 15 about the listed sites in the table.

16 All air permit administration revenues received by the department of
 17 environmental quality in excess of \$7,008,600 in fiscal year 2012-2013 are
 18 appropriated to the department. Before the expenditure of air permits
 19 administration receipts in excess of \$7,008,600 in fiscal year 2012-2013, the
 20 department of environmental quality shall report the intended use of the
 21 monies to the joint legislative budget committee.

22 All indirect cost recovery fund revenues received by the department of
 23 environmental quality in excess of \$12,873,200 in fiscal year 2012-2013 are
 24 appropriated to the department. Before the expenditure of indirect cost
 25 recovery fund receipts in excess of \$12,873,200 in fiscal year 2012-2013, the
 26 department of environmental quality shall report the intended use of the
 27 monies to the joint legislative budget committee.

28	Sec. 32. OFFICE OF EQUAL OPPORTUNITY		<u>2012-13</u>
29			
30	FTE positions		4.0
31	Lump sum appropriation	\$	187,900
32	Fund sources:		
33	State general fund	\$	187,900
34	Sec. 33. STATE BOARD OF EQUALIZATION		<u>2012-13</u>
35			
36	FTE positions		7.0
37	Lump sum appropriation	\$	625,800
38	Fund sources:		
39	State general fund	\$	625,800
40	Sec. 34. BOARD OF EXECUTIVE CLEMENCY		<u>2012-13</u>
41			
42	FTE positions		14.0
43	Lump sum appropriation	\$	826,200
44	Fund sources:		
45	State general fund	\$	826,200
46	Sec. 35. ARIZONA EXPOSITION AND STATE FAIR BOARD		

1		<u>2012-13</u>
2	FTE positions	184.0
3	Lump sum appropriation	\$ 11,096,200
4	Fund sources:	
5	Arizona exposition and state	
6	fair fund	\$ 11,096,200
7	Sec. 36. DEPARTMENT OF FINANCIAL INSTITUTIONS	
8		<u>2012-13</u>
9	FTE positions	58.1
10	Lump sum appropriation	\$ 3,849,400
11	Fund sources:	
12	State general fund	\$ 2,927,000
13	Financial services fund	922,400
14	The department of financial institutions shall assess and set fees to	
15	ensure that monies deposited in the state general fund will equal or exceed	
16	its expenditure from the state general fund.	
17	Sec. 37. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY	
18		<u>2012-13</u>
19	FTE positions	47.0
20	Lump sum appropriation	\$ 1,693,300
21	Fund sources:	
22	State general fund	\$ 1,693,300
23	Sec. 38. STATE FORESTER	
24		<u>2012-13</u>
25	FTE positions	52.0
26	Operating lump sum appropriation	\$ 3,281,300
27	Environmental county grants	75,000
28	Inmate fire crews	<u>695,700</u>
29	Total appropriation - state forester	\$ 4,052,000
30	Fund sources:	
31	State general fund	\$ 4,052,000
32	Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
33		<u>2012-13</u>
34	FTE positions	4.0
35	Lump sum appropriation	\$ 339,600
36	Fund sources:	
37	Board of funeral directors and	
38	embalmers fund	\$ 339,600
39	Sec. 40. GAME AND FISH DEPARTMENT	
40		<u>2012-13</u>
41	FTE positions	273.5
42	Operating lump sum appropriation	\$ 33,091,800
43	Pittman - Robertson/Dingell -	
44	Johnson act	3,808,000
45	Performance incentive pay program	346,100*
46	Lower Colorado multispecies	

1	conservation	350,000
2	Watercraft grant program	1,000,000
3	Watercraft safety education program	<u>250,000</u>
4	Total appropriation - game and fish	
5	department	\$ 38,845,900
6	Fund sources:	
7	Capital improvement fund	\$ 1,000,000
8	Game and fish fund	32,980,400
9	Waterfowl conservation fund	43,400
10	Wildlife endowment fund	16,000
11	Watercraft licensing fund	4,471,400
12	Game, nongame, fish and	
13	endangered species fund	334,700

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

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

25 Sec. 41. DEPARTMENT OF GAMING

26		<u>2012-13</u>
27	FTE positions	115.3
28	Operating lump sum appropriation	\$ 8,000,000
29	Casino operations certification	1,998,300
30	Problem gambling	<u>2,051,300</u>
31	Total appropriation - department of gaming	\$ 12,049,600
32	Fund sources:	
33	Tribal-state compact fund	\$ 1,998,300
34	Arizona benefits fund	9,751,300
35	State lottery fund	300,000

36 Sec. 42. ARIZONA GEOLOGICAL SURVEY

37		<u>2012-13</u>
38	FTE positions	10.3
39	Lump sum appropriation	\$ 865,100
40	Fund sources:	
41	State general fund	\$ 865,100

42 Sec. 43. OFFICE OF THE GOVERNOR

43		<u>2012-13</u>
44	Lump sum appropriation	\$ 6,601,900*
45	Fund sources:	
46	State general fund	\$ 6,601,900

1 Included in the lump sum appropriation of \$6,601,900 for fiscal year
 2 2012-2013 is \$10,000 for the purchase of mementos and items for visiting
 3 officials.

4 Sec. 44. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

	<u>2012-13</u>
5 FTE positions	22.0
6 Lump sum appropriation	\$ 1,874,200*
7 Fund sources:	
8 State general fund	\$ 1,874,200

10 Sec. 45. DEPARTMENT OF HEALTH SERVICES

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

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

26 Public health/family health

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

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

33 Behavioral health

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

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

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

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

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

25 Departmentwide

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

38 Sec. 46. ARIZONA HISTORICAL SOCIETY

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

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

1	Sec. 53. ARIZONA JUDICIARY	
2		<u>2012-13</u>
3	<u>Supreme court</u>	
4	FTE positions	169.0
5	Operating lump sum appropriation	\$ 14,259,700
6	Automation	11,082,600
7	Case and cash management system	3,326,500
8	County reimbursements	187,900
9	Court appointed special advocate	3,025,800
10	Domestic relations	640,300
11	Foster care review board	3,332,000
12	Commission on judicial conduct	506,800
13	Judicial nominations and	
14	performance review	417,200
15	Model court	447,600
16	State aid	<u>5,904,800</u>
17	Total appropriation - supreme court	\$ 43,131,200
18	Fund sources:	
19	State general fund	\$ 15,915,700
20	Confidential intermediary and	
21	fiduciary fund	478,800
22	Court appointed special advocate	
23	fund	2,923,800
24	Criminal justice enhancement fund	2,960,300
25	Defensive driving school fund	4,120,200
26	Judicial collection enhancement	
27	fund	13,787,900
28	State aid to the courts fund	2,944,500

29 By September 1, 2012, the supreme court shall report to the joint
30 legislative budget committee on current and future automation projects
31 coordinated by the administrative office of the courts. The report shall
32 include a list of court automation projects receiving or anticipated to
33 receive state monies in the current or next two fiscal years as well as a
34 description of each project, the number of FTE positions, the entities
35 involved and the goals and anticipated results for each automation project.
36 The report shall be submitted in one summary document. The report shall
37 indicate each project's total multiyear cost by fund source and budget line
38 item, including any prior year, current year and future year expenditures.

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

41 Of the \$187,900 appropriated for county reimbursements, state grand
42 jury is limited to \$97,900 and capital postconviction relief is limited to
43 \$90,000.

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

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

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

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

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

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

24 Total appropriation - Arizona judiciary \$148,460,900

25 Fund sources:

26 State general fund \$108,785,200

27 Confidential intermediary and
 28 fiduciary fund 478,800

29 Court appointed special advocate
 30 fund 2,923,800

31 Criminal justice enhancement fund 9,891,600

32 Defensive driving school fund 4,120,200

33 Drug treatment and education fund 500,000

34 Judicial collection enhancement
 35 fund 18,816,800

36 State aid to the courts fund 2,944,500

37 Sec. 54. DEPARTMENT OF JUVENILE CORRECTIONS

38 2012-13

39 FTE positions 738.5

40 Lump sum appropriation \$ 46,790,000

41 Fund sources:

42 State general fund \$ 42,929,800

43 State charitable, penal and
 44 reformatory institutions

45 land fund 1,098,600

46 Criminal justice enhancement fund 528,400

1 State education fund for committed
 2 youth 2,233,200
 3 Twenty-five per cent of land earnings and interest from the state
 4 charitable, penal and reformatory institutions land fund shall be distributed
 5 to the department of juvenile corrections, in compliance with section 25 of
 6 the enabling act and the Constitution of Arizona, to be used for the support
 7 of state juvenile institutions and reformatories.

8 Sec. 55. STATE LAND DEPARTMENT

	<u>2012-13</u>
9 FTE positions	125.7
10 Operating lump sum appropriation	\$ 13,718,200
11 Natural resource conservation	
12 districts	650,000
13 CAP user fees	481,200
14 Due diligence fund	<u>500,000</u>
15 Total appropriation - state land department	\$ 15,349,400
16 Fund sources:	
17 State general fund	\$ 1,231,800
18 Environmental special plate fund	260,000
19 Due diligence fund	500,000
20 Risk management revolving fund	9,888,400
21 Trust land management fund	3,469,200

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

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

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

38 Sec. 56. LAW ENFORCEMENT MERIT SYSTEM COUNCIL

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

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

1	Sec. 59. ARIZONA STATE LOTTERY COMMISSION	
2		<u>2012-13</u>
3	FTE positions	97.8
4	Operating lump sum appropriation	\$ 8,126,300
5	Advertising	<u>15,500,000</u>
6	Total appropriation - Arizona state	
7	lottery commission	\$ 23,626,300
8	Fund source:	
9	State lottery fund	\$ 23,626,300

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

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

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

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

27	Sec. 60. ARIZONA MEDICAL BOARD	
28		<u>2012-13</u>
29	FTE positions	58.5
30	Lump sum appropriation	\$ 5,799,200
31	Fund sources:	
32	Arizona medical board fund	\$ 5,799,200

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

37	Sec. 61. STATE MINE INSPECTOR	
38		<u>2012-13</u>
39	FTE positions	14.0
40	Operating lump sum appropriation	\$ 997,500
41	Abandoned mines safety fund deposit	188,300
42	Aggregate mined land reclamation	<u>112,500</u>
43	Total appropriation - state mine inspector	\$ 1,298,300

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

10 Sec. 62. NATUROPATHIC PHYSICIANS MEDICAL BOARD

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

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

17 Sec. 63. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

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

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

23 Sec. 64. ARIZONA STATE BOARD OF NURSING

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

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

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

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

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

39 Sec. 66. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

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

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

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

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

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

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

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

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

5 Sec. 76. STATE BOARD OF PODIATRY EXAMINERS

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

11 Sec. 77. COMMISSION FOR POSTSECONDARY EDUCATION

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

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

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

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

7	Sec. 78. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
8		<u>2012-13</u>
9	FTE positions	4.0
10	Lump sum appropriation	\$ 326,600
11	Fund sources:	
12	Board for private postsecondary	
13	education fund	\$ 326,600
14	Sec. 79. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
15		<u>2012-13</u>
16	FTE positions	4.0
17	Lump sum appropriation	\$ 344,000
18	Fund sources:	
19	Board of psychologist examiners	
20	fund	\$ 344,000
21	Sec. 80. DEPARTMENT OF PUBLIC SAFETY	
22		<u>2012-13</u>
23	FTE positions	1,903.7
24	Operating lump sum appropriation	\$198,099,300
25	GIITEM	21,301,400
26	GIITEM subaccount	2,390,000
27	Motor vehicle fuel	3,935,500
28	Public safety equipment	<u>2,390,000</u>
29	Total appropriation - department of public	
30	safety	\$228,116,200
31	Fund sources:	
32	State general fund	\$ 45,526,200
33	Highway user revenue fund	119,961,000
34	State highway fund	6,780,000
35	Arizona highway patrol fund	19,249,300
36	Criminal justice enhancement fund	2,859,300
37	Safety enforcement and transportation	
38	infrastructure fund	1,509,100
39	Crime laboratory assessment fund	868,000
40	Crime laboratory operations fund	14,653,300
41	Arizona deoxyribonucleic acid	
42	identification system fund	5,452,200
43	Automated fingerprint identification	
44	system fund	3,008,600

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

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

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

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

37 Sec. 81. ARIZONA DEPARTMENT OF RACING

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

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

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

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

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

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

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

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

1	Fund sources:	
2	State general fund	\$173,711,200
3	Pursuant to section 35-142.01, Arizona Revised Statutes, any	
4	reimbursement received by or allocated to the school facilities board under	
5	the federal qualified school construction bond program in fiscal year	
6	2012-2013 shall be deposited in or revert to the state general fund.	
7	Sec. 89. DEPARTMENT OF STATE - SECRETARY OF STATE	
8		<u>2012-13</u>
9	FTE positions	139.1
10	Operating lump sum appropriation	\$ 8,607,600
11	Election services	4,437,200
12	Help America vote act	2,934,200
13	Library grants-in-aid	651,400*
14	Statewide radio reading service	
15	for the blind	<u>97,000</u>
16	Total appropriation - secretary of state	\$ 16,727,400
17	Fund sources:	
18	State general fund	\$ 13,224,400
19	Election systems improvement fund	2,934,200
20	Record services fund	568,800
21	The secretary of state shall report to the joint legislative budget	
22	committee and the governor's office of strategic planning and budgeting by	
23	December 31, 2012 the actual amount and purpose of expenditures from the	
24	election systems improvement fund in fiscal year 2011-2012 and the expected	
25	amount and purpose of expenditures from the fund for fiscal year 2012-2013.	
26	Any transfer to or from the amount appropriated for the election	
27	services line item shall require review by the joint legislative budget	
28	committee.	
29	The fiscal year 2012-2013 appropriation from the election systems	
30	improvement fund for HAVA is available for use pursuant to section 35-143.01,	
31	subsection C, Arizona Revised Statutes, and is exempt from the provisions of	
32	section 35-190, Arizona Revised Statutes, relating to lapsing of	
33	appropriations, until June 30, 2014.	
34	Included in the operating lump sum appropriation of \$8,607,600 for	
35	fiscal year 2012-2013 is \$5,000 for the purchase of mementos and items for	
36	visiting officials.	
37	Sec. 90. STATE BOARDS' OFFICE	
38		<u>2012-13</u>
39	FTE positions	3.0
40	Lump sum appropriation	\$ 211,600
41	Fund sources:	
42	Special services revolving fund	\$ 211,600
43	Sec. 91. STATE BOARD OF TAX APPEALS	
44		<u>2012-13</u>
45	FTE positions	4.0
46	Lump sum appropriation	\$ 253,400

1	Fund sources:	
2	State general fund	\$ 253,400
3	Sec. 92. BOARD OF TECHNICAL REGISTRATION	
4		<u>2012-13</u>
5	FTE positions	23.0
6	Lump sum appropriation	\$ 1,834,900
7	Fund sources:	
8	Technical registration fund	\$ 1,834,900
9	Sec. 93. OFFICE OF TOURISM	
10		<u>2012-13</u>
11	FTE positions	25.0
12	Lump sum appropriation	\$ 7,000,000
13	Fund sources:	
14	State general fund	\$ 7,000,000
15	Sec. 94. DEPARTMENT OF TRANSPORTATION	
16		<u>2012-13</u>
17	FTE positions	4,548.0
18	Operating lump sum appropriation	\$201,429,500
19	Attorney general legal services	2,895,600
20	Highway maintenance	126,555,600
21	Vehicles and heavy equipment	26,591,700
22	Fraud investigation	753,900
23	New third party funding	<u>940,100</u>
24	Total appropriation - Arizona department	
25	of transportation	\$359,166,400
26	Fund sources:	
27	State general fund	\$ 50,200
28	Air quality fund	72,200
29	Driving under the influence	
30	abatement fund	146,900
31	Highway user revenue fund	624,800
32	Motor vehicle liability	
33	insurance enforcement fund	1,052,600
34	Safety enforcement and	
35	transportation infrastructure	
36	fund	1,866,000
37	State aviation fund	1,577,800
38	State highway fund	325,749,800
39	Transportation department	
40	equipment fund	26,591,700
41	Vehicle inspection and title	
42	enforcement fund	1,434,400

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

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

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

12 Of the \$359,166,400 appropriation to the department of transportation,
 13 the department of transportation shall pay \$16,773,800 in fiscal year
 14 2012-2013 from all funds to the department of administration for its risk
 15 management payment.

16 Sec. 95. STATE TREASURER

		<u>2012-13</u>
17		
18	FTE positions	30.4
19	Operating lump sum appropriation	\$ 2,690,900
20	Justice of the peace salaries	1,115,100
21	Law enforcement/boating safety	
22	fund grants	<u>2,183,800</u>
23	Total appropriation - state treasurer	\$ 5,989,800
24	Fund sources:	
25	State general fund	\$ 1,115,100
26	Law enforcement and boating	
27	safety fund	2,183,800
28	State treasurer's operating fund	2,493,500
29	State treasurer's management fund	197,400

30 Sec. 96. ARIZONA BOARD OF REGENTS

		<u>2012-13</u>
31		
32	FTE positions	25.9
33	Operating lump sum appropriation	\$ 2,350,300
34	Arizona teachers incentive program	90,000
35	Arizona transfer articulation	
36	support system	213,700
37	Student financial assistance	10,041,200
38	Western interstate commission	
39	office	125,000
40	Course redesign technology	
41	and capital	15,273,700
42	Performance funding	5,000,000
43	WICHE student subsidies	<u>4,106,000</u>
44	Total appropriation - Arizona board of	
45	regents	\$ 37,199,900
46	Fund sources:	

1 State general fund \$ 37,199,900

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

20 The following amounts have been allocated from the university campuses
 21 to the Arizona board of regents for performance funding: \$2,030,000 from
 22 Arizona state university - Tempe and downtown Phoenix campuses, \$156,300 from
 23 Arizona state university - East, \$271,700 from Arizona state
 24 university - West, \$834,600 from Northern Arizona university, and \$1,707,400
 25 from the university of Arizona - main campus. The performance funding
 26 formula shall be as prescribed by law. The Arizona board of regents shall
 27 report the final allocation of performance funding to the joint legislative
 28 budget committee on or before July 1, 2012.

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

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

37		<u>2012-13</u>
38	FTE positions	6,097.9
39	Operating lump sum appropriation	\$524,500,400
40	Biomedical informatics	1,955,200
41	Downtown Phoenix campus	<u>98,952,200</u>
42	Total appropriation - Arizona state	
43	university - Tempe and downtown	
44	Phoenix campuses	\$625,407,800
45	Fund sources:	
46	State general fund	\$157,397,500

1 University collections fund 468,010,300

2 It is the intent of the legislature that the general fund base funding
 3 for Arizona state university - Tempe and downtown Phoenix campuses is
 4 \$232,157,900. This appropriation includes a deferral of \$74,760,400 from
 5 fiscal year 2012-2013 to fiscal year 2013-2014. This deferral shall be paid
 6 as required in section 131 of this act.

7 The state general fund appropriations shall not be used for alumni
 8 association funding.

9 The appropriated monies shall not be used for scholarships or any
 10 student newspaper.

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

22 The appropriated monies shall not be used by the Arizona state
 23 university college of law legal clinic for any lawsuits involving inmates of
 24 the state department of corrections in which the state is the adverse party.
 25 Sec. 98. ARIZONA STATE UNIVERSITY - EAST CAMPUS

26		<u>2012-13</u>
27	FTE positions	416.6
28	Operating lump sum appropriation	\$ 50,178,100
29	TRIF lease-purchase payment	<u>2,000,000</u>
30	Total appropriation - Arizona state	
31	university - East campus	\$ 52,178,100
32	Fund sources:	
33	State general fund	\$ 12,253,300
34	University collections fund	37,924,800
35	Technology and research initiative	
36	fund	2,000,000

37 It is the intent of the legislature that the general fund base funding
 38 for Arizona state university - East campus is \$18,003,500. This
 39 appropriation includes a deferral of \$5,750,200 from fiscal year 2012-2013 to
 40 fiscal year 2013-2014. This deferral shall be paid as required in section
 41 131 of this act.

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

44 The appropriated monies shall not be used for scholarships or any
 45 student newspaper.

1 Any unencumbered balances remaining in the collections account on June
 2 30, 2012 and all collections received by the university during the fiscal
 3 year, when paid into the state treasury, are appropriated for operating
 4 expenditures, capital outlay and fixed charges. Earnings on state lands and
 5 interest on the investment of the permanent land funds are appropriated in
 6 compliance with the enabling act and the Constitution of Arizona. No part of
 7 this appropriation may be expended for supplemental life insurance or
 8 supplemental retirement. Receipts from summer session, when deposited in the
 9 state treasury, together with any unencumbered balance in the summer session
 10 account, are appropriated for the purpose of conducting summer sessions but
 11 are excluded from the amounts enumerated above.

12 Sec. 99. ARIZONA STATE UNIVERSITY - WEST CAMPUS

13		<u>2012-13</u>
14	FTE positions	562.9
15	Operating lump sum appropriation	\$ 54,153,900
16	TRIF lease-purchase payment	<u>1,600,000</u>
17	Total appropriation - Arizona state	
18	university - West campus	\$ 55,753,900
19	Fund sources:	
20	State general fund	\$ 22,823,100
21	University collections fund	31,330,800
22	Technology and research initiative	
23	fund	1,600,000

24 It is the intent of the legislature that the general fund base funding
 25 for Arizona state university - West campus is \$32,887,900. This
 26 appropriation includes a deferral of \$10,064,800 from fiscal year 2012-2013
 27 to fiscal year 2013-2014. This deferral shall be paid as required in section
 28 131 of this act.

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

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

33 Any unencumbered balances remaining in the collections account on June
 34 30, 2012 and all collections received by the university during the fiscal
 35 year, when paid into the state treasury, are appropriated for operating
 36 expenditures, capital outlay and fixed charges. Earnings on state lands and
 37 interest on the investment of the permanent land funds are appropriated in
 38 compliance with the enabling act and the Constitution of Arizona. No part of
 39 this appropriation may be expended for supplemental life insurance or
 40 supplemental retirement. Receipts from summer session, when deposited in the
 41 state treasury, together with any unencumbered balance in the summer session
 42 account, are appropriated for the purpose of conducting summer sessions but
 43 are excluded from the amounts enumerated above.

44 Sec. 100. NORTHERN ARIZONA UNIVERSITY

45		<u>2012-13</u>
46	FTE positions	2,057.2

1	Operating lump sum appropriation	\$159,322,300
2	NAU - Yuma	2,970,800
3	Teacher training	<u>2,000,000</u>
4	Total appropriation - Northern Arizona	
5	university	\$164,293,100
6	Fund sources:	
7	State general fund	\$ 64,632,400
8	University collections fund	99,660,700

9 It is the intent of the legislature that the general fund base funding
 10 for Northern Arizona university is \$95,127,200. This appropriation includes
 11 a deferral of \$30,494,800 from fiscal year 2012-2013 to fiscal year
 12 2013-2014. This deferral shall be paid as required in section 131 of this
 13 act.

14 The state general fund appropriations shall not be used for alumni
 15 association funding.

16 The appropriated monies shall not be used for scholarships or any
 17 student newspaper.

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

29 The appropriated amount for the teacher training line item shall be
 30 distributed to the Arizona K-12 center for program implementation and mentor
 31 training for the Arizona mentor teacher program prescribed by the state board
 32 of education.

33 Sec. 101. UNIVERSITY OF ARIZONA

34		<u>2012-13</u>
35	<u>Main campus</u>	
36	FTE positions	5,365.0
37	Operating lump sum appropriation	\$331,102,900
38	Agriculture	36,954,900
39	Arizona cooperative extension	12,460,400
40	Sierra Vista campus	<u>6,139,300</u>
41	Total - Main campus	\$386,657,500
42	Fund sources:	
43	State general fund	\$130,253,500
44	University collections fund	256,404,000
45	<u>Health sciences center</u>	
46	FTE positions	979.1

1	Operating lump sum appropriation	\$ 54,760,900
2	Clinical rural rotation	357,600
3	Clinical teaching support	8,097,000
4	Liver research institute	458,500
5	Phoenix medical campus	20,821,900
6	Telemedicine network	<u>1,847,900</u>
7	Total - health sciences center	\$ 86,343,800
8	Fund sources:	
9	State general fund	\$ 44,557,600
10	University collections fund	41,786,200
11	Total appropriation - university of	
12	Arizona	<u>\$473,001,300</u>
13	Fund sources:	
14	State general fund	\$174,811,100
15	University collections fund	298,190,200

16 It is the intent of the legislature that the general fund base funding
 17 for university of Arizona - main campus is \$192,406,600. This appropriation
 18 includes a deferral of \$62,153,100 from fiscal year 2012-2013 to fiscal year
 19 2013-2014. This deferral shall be paid as required in section 131 of this
 20 act.

21 It is the intent of the legislature that the general fund base funding
 22 for university of Arizona - health sciences center is \$61,334,300. This
 23 appropriation includes a deferral of \$16,776,700 from fiscal year 2012-2013
 24 to fiscal year 2013-2014. This deferral shall be paid as required in section
 25 131 of this act.

26 The state general fund appropriations shall not be used for alumni
 27 association funding.

28 The appropriated monies shall not be used for scholarships or any
 29 student newspaper.

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

41 Sec. 102. DEPARTMENT OF VETERANS' SERVICES

42		<u>2012-13</u>
43	FTE positions	500.3
44	Operating lump sum appropriation	\$ 2,977,900
45	Arizona state veterans' homes	27,574,700
46	Southern Arizona cemetery	274,800

1	Veterans' benefit counseling	<u>2,826,700</u>
2	Total appropriation - department of	
3	veterans' services	\$ 33,654,100
4	Fund sources:	
5	State general fund	\$ 5,197,100
6	State home for veterans' trust	
7	fund	27,574,700
8	State veterans' conservatorship	
9	fund	882,300
10	Sec. 103. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD	
11		<u>2012-13</u>
12	FTE positions	5.5
13	Lump sum appropriation	\$ 455,300
14	Fund sources:	
15	Veterinary medical examining	
16	board fund	\$ 455,300
17	Sec. 104. DEPARTMENT OF WATER RESOURCES	
18		<u>2012-13</u>
19	FTE positions	90.0
20	Operating lump sum appropriation	\$ 7,443,400
21	Adjudication support	1,212,900
22	Assured and adequate water supply	
23	administration	1,771,100
24	Rural water studies	1,139,600
25	Conservation and drought program	395,700
26	Automated groundwater monitoring	<u>401,100</u>
27	Total appropriation - department of water	
28	resources	\$ 12,363,800
29	Fund sources:	
30	State general fund	\$ 11,998,300
31	Water resources fund	100,200
32	Assured and adequate water	
33	supply administration fund	265,300

34 Monies in the assured and adequate water supply administration line
35 item shall be used only for the exclusive purposes prescribed in sections
36 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department
37 of water resources shall not transfer any funds into or out of the assured
38 and adequate water supply administration line item.

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

44 Monies in the adjudication support line item shall be used only for the
45 exclusive purposes prescribed in section 45-256 and section 45-257,
46 subsection B, paragraph 4, Arizona Revised Statutes. The department of water

1 resources shall not transfer any funds into or out of the adjudication
 2 support line item.

3 Sec. 105. DEPARTMENT OF WEIGHTS AND MEASURES

4		<u>2012-13</u>
5	FTE positions	36.4
6	General services	\$ 1,787,500
7	Vapor recovery	633,700
8	Oxygenated fuel	<u>780,200</u>
9	Total appropriation - department	
10	of weights and measures	\$ 3,201,400
11	Fund sources:	
12	State general fund	\$ 1,470,000
13	Air quality fund	1,413,900
14	Motor vehicle liability insurance	
15	enforcement fund	317,500

16 Fiscal Year 2011-2012 Appropriation Adjustments

17 Sec. 106. Department of administration; state personnel system;
 18 conditional supplemental appropriation; 2011-2012;
 19 conditional appropriation; 2012-2013

20 A. In addition to any other appropriations made in fiscal year
 21 2011-2012, the sum of \$154,000 is appropriated from the personnel division
 22 fund in fiscal year 2011-2012 to the department of administration for
 23 operating costs, only if House Bill 2571, fiftieth legislature, second
 24 regular session, relating to the state personnel system, becomes law.

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

29 Sec. 107. Department of administration; risk management
 30 revolving fund; supplemental appropriation;
 31 2011-2012; review

32 A. The department of administration is authorized to negotiate and
 33 settle with the federal government any debts incurred due to disallowed fund
 34 transfers and expenditures of federal participation monies in fiscal years
 35 2009-2010 and 2010-2011. Notwithstanding any other law, the sum of
 36 \$10,400,000 is appropriated from the risk management revolving fund
 37 established by section 41-622, Arizona Revised Statutes, in fiscal year
 38 2011-2012 to the department of administration for this purpose.

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

42 Sec. 108. AHCCCS; supplemental appropriation; fiscal year
 43 2011-2012

44 In addition to any other appropriations made in fiscal year 2011-2012,
 45 the following sums from the following sources are appropriated to the Arizona

1 health care cost containment system administration for traditional medicaid
2 services in fiscal year 2011-2012:

- 3 1. \$51,500,000 from the prescription drug rebate fund.
- 4 2. \$112,600,700 from the state general fund.
- 5 3. \$372,544,100 in federal medicaid expenditure authority.

6 Sec. 109. AHCCCS; transfer; fiscal year 2011-2012; tobacco
7 settlement litigation

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

12 Sec. 110. Corporation commission; supplemental appropriation;
13 reduction; transfer; 2011-2012

14 A. In addition to any other appropriations made in fiscal year
15 2011-2012 to the corporation commission, the sum of \$75,000 is appropriated
16 from the state general fund in fiscal year 2011-2012 to the corporation
17 commission for operating expenses.

18 B. In addition to any other appropriation reductions made in fiscal
19 year 2011-2012, notwithstanding any other law, the appropriation to the
20 corporation commission is reduced by \$50,000 from the public access fund and
21 \$25,000 from the securities regulatory and enforcement fund in fiscal year
22 2011-2012.

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

27 Sec. 111. Department of economic security; reductions;
28 2011-2012

29 In addition to any other appropriation reductions made in fiscal year
30 2011-2012, the sum of \$12,300,000 is reduced from the department of economic
31 security's appropriation from the state general fund for home and community
32 based services - medicaid.

33 Sec. 112. Department of health services; supplemental
34 appropriation; 2011-2012

35 In addition to any other appropriations made in fiscal year 2011-2012,
36 the following sums from the following sources are appropriated to the
37 department of health services for medicaid capitation payments in fiscal year
38 2011-2012:

- 39 1. \$12,300,000 from the state general fund.
- 40 2. \$33,900,000 from the prescription drug rebate fund.
- 41 3. \$93,535,400 in federal medicaid expenditure authority.

42 Sec. 113. Department of health services; state hospital;
43 supplemental appropriation; 2011-2012

44 In addition to any other appropriations made in fiscal year 2011-2012,
45 the sum of \$2,500,000 is appropriated from the state general fund in fiscal

1 year 2011-2012 to the department of health services for operating expenses
2 associated with the Arizona state hospital.

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

5 For fiscal year 2011-2012, the department of health services may use
6 monies in the IGA and ISA fund as the state medicaid match for behavioral
7 health services. Before using the monies, the department shall report to the
8 director of the joint legislative budget committee the proposed amount of the
9 IGA and ISA fund monies to be used for the match, the source of those monies,
10 including reconciliation payments and penalties, and the total amount of
11 reconciliation payments and penalties in the fund.

12 Sec. 115. School facilities board; supplemental appropriation;
13 2011-2012

14 In addition to any other appropriation made in fiscal year 2011-2012,
15 the sum of \$11,500,000 is appropriated from the state general fund in fiscal
16 year 2011-2012 to the building renewal grant fund established by section
17 15-2032, Arizona Revised Statutes, for the purpose of maintaining the
18 adequacy of existing school facilities.

19 Sec. 116. Appropriations; budget stabilization fund; fiscal
20 years 2011-2012 and 2012-2013

21 The sum of \$250,000,000 in fiscal year 2011-2012 and the sum of
22 \$200,000,000 in fiscal year 2012-2013 are appropriated from the state general
23 fund to the budget stabilization fund established by section 35-144, Arizona
24 Revised Statutes.

25 Sec. 117. Secretary of state; 2011-2012 appropriation;
26 exemption

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

31 Sec. 118. Appropriation; reimbursement of additional county
32 expenses

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

40 B. The secretary of state shall reimburse counties for the additional
41 cost of printing ballots and other election materials for the special primary
42 election and special general election for United States representative for
43 the eighth congressional district in Arizona and shall reimburse counties for
44 compensation paid to election board and tally board officers serving during
45 the special elections, as well as other costs of administering the elections
46 that are in addition to and greater than the expenses to be reimbursed as

1 prescribed in section 16-250, Arizona Revised Statutes. The secretary of
2 state may advance a portion of estimated expenses to each county. A county
3 that receives an advance shall provide subsequent documentation to the
4 secretary of state pursuant to subsection C of this section.

5 C. The clerk of the board of supervisors of each county shall submit
6 to the secretary of state for approval an itemized claim, together with
7 documentation, verified by the clerk for expenses incurred or to be incurred
8 by the county as prescribed by subsection B of this section. On approval of
9 the claim by the secretary of state, the claim shall be submitted to the
10 department of administration for payment to the county from the monies
11 appropriated for this purpose in subsection A of this section.

12 Fiscal Year 2012-2013 Appropriations

13 Sec. 119. Appropriation; purpose; exemption; conditional
14 enactment; secretary of interior; notice

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

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

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

30 Sec. 120. Arizona commerce authority; allocation

31 In accordance with section 43-409, Arizona Revised Statutes,
32 \$31,500,000 of state general fund withholding tax revenue is allocated in
33 fiscal year 2012-2013 to the Arizona commerce authority, of which \$10,000,000
34 shall be credited to the Arizona commerce authority fund established by
35 section 41-1506, Arizona Revised Statutes, and \$21,500,000 shall be credited
36 to the Arizona competes fund established by section 41-1545.01, Arizona
37 Revised Statutes.

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

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

45 1. Be located in a county with a population of less than five hundred
46 thousand persons.

- 1 2. Be licensed to operate twenty-five or fewer beds.
- 2 3. Not be designated as a critical access hospital, as of January 1,
- 3 2012, pursuant to 42 Code of Federal Regulations part 485, subpart F.
- 4 4. Be located within twenty-five miles of a hospital operated by the
- 5 Indian health service.

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

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

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

16 Sec. 123. Independent redistricting commission; appropriation;
17 fiscal year 2012-2013; exemption

18 A. The sum of \$1,450,000 is appropriated from the state general fund
19 in fiscal year 2012-2013 to the independent redistricting commission for the
20 operating expenses of the commission. This appropriation may be used for the
21 payment of obligations incurred in fiscal year 2011-2012.

22 B. The appropriation made in subsection A of this section is exempt
23 from the provisions of section 35-190, Arizona Revised Statutes, relating to
24 lapsing of appropriations, except that all monies remaining unexpended and
25 unencumbered after the payment of fees, costs and expenses of the commission
26 revert to the state general fund.

27 Sec. 124. Appropriations; automation projects fund; fiscal
28 years 2012-2013, 2013-2014, 2014-2015 and 2015-2016

29 A. The sum of \$16,800,000 in fiscal year 2012-2013, the sum of
30 \$20,000,000 in each of fiscal years 2013-2014 and 2014-2015 and the sum of
31 \$23,000,000 in fiscal year 2015-2016 are appropriated from the state general
32 fund for deposit into the automation projects fund established by section
33 41-714, Arizona Revised Statutes, for the purpose of implementing, upgrading
34 or maintaining automation and information technology projects for any state
35 agency.

36 B. In addition to the appropriations made in subsection A of this
37 section, the following sums from the following sources are appropriated for
38 deposit into the automation projects fund in fiscal year 2012-2013:

- 39 1. \$1,500,000 from the information technology fund established by
40 section 41-3505, Arizona Revised Statutes.
- 41 2. \$5,600,000 from the state web portal fund established by section
42 41-3506, Arizona Revised Statutes.
- 43 3. \$4,200,000 from the automation operations fund established by
44 section 41-711, Arizona Revised Statutes.

45 Sec. 125. Appropriation; debt service payments; state buildings

1 A. The sum of \$60,107,500 is appropriated from the state general fund
2 in fiscal year 2012-2013 to the department of administration for the purpose
3 of making a debt service payment on the sale and lease-back of state
4 buildings authorized by Laws 2009, third special session, chapter 6,
5 section 32.

6 B. The sum of \$24,012,300 is appropriated from the state general fund
7 in fiscal year 2012-2013 to the department of administration for the purpose
8 of making a debt service payment on the sale and lease-back of state
9 buildings authorized by Laws 2010, sixth special session, chapter 4,
10 section 2.

11 Sec. 126. AHCCCS; department of health services; reconciliation
12 payments; report

13 On or before January 7, 2013, the Arizona health care cost containment
14 system administration and the department of health services shall report to
15 the director of the joint legislative budget committee the total amount of
16 medicaid reconciliation payments and penalties received by that date since
17 July 1, 2012. On June 30, 2013, the administration and department shall
18 report the same information for all of fiscal year 2012-2013.

19 Fund Balance Transfers

20 Sec. 127. Fund balance transfers; fiscal years 2012-2013 and
21 2013-2014

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

- 26 1. Arizona department of administration:
27 Special employee health insurance trust fund - \$30,000,000
- 28 2. Department of environmental quality:
29 Emissions inspection fund - \$10,000,000
- 30 3. Judiciary - supreme court:
31 State aid to courts fund - \$50,000
32 Alternative dispute resolution fund - \$200,000
33 Arizona lengthy trial fund - \$100,000
34 Public defender training fund - \$25,000
- 35 4. Judiciary - superior court:
36 Judicial collection enhancement fund - \$400,000
37 Criminal justice enhancement fund - \$75,000
38 Drug treatment and education fund - \$150,000
39 Juvenile probation services fund - \$5,000,000

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

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

5 1. Judiciary - supreme court:

- 6 State aid to courts fund - \$50,000
7 Alternative dispute resolution fund - \$200,000
8 Arizona lengthy trial fund - \$100,000
9 Public defender training fund - \$25,000

10 2. Judiciary - superior court:

- 11 Judicial collection enhancement fund - \$400,000
12 Criminal justice enhancement fund - \$75,000
13 Drug treatment and education fund - \$150,000
14 Juvenile probation services fund - \$5,000,000

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

18 Sec. 128. Fund transfer; mortgage settlement; fiscal year
19 2012-2013; intent

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

25 B. It is the intent of the legislature that the monies deposited into
26 the state general fund pursuant to subsection A of this section be used in
27 current state general fund efforts in areas covered by the National Mortgage
28 Settlement, including agencies such as the state real estate department,
29 department of insurance and attorney general - department of law, and for
30 other areas impacted by the alleged unlawful conduct of the defendants in the
31 National Mortgage Settlement.

32 Payment Deferrals

33 Sec. 129. Department of economic security; payment deferral;
34 appropriation

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

39 B. In addition to any other appropriations made in fiscal year
40 2013-2014, the sum of \$35,000,000 is appropriated from the state general fund
41 in fiscal year 2013-2014 to the department of economic security for the
42 purpose of paying bills for services provided in May and June, 2013.

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

1 D. Of the amounts deferred in subsection A of this section, May
2 payments to providers of developmentally disabled services shall not be
3 deferred.

4 Sec. 130. Reduction in school district state aid apportionment
5 in fiscal year 2012-2013; appropriations in fiscal
6 year 2013-2014

7 A. In addition to any other appropriation reductions made in fiscal
8 year 2012-2013, notwithstanding any other law, the state board of education
9 shall defer until after July 1, 2013 but no later than August 29, 2013
10 \$952,627,700 of the basic state aid and additional state aid payment that
11 otherwise would be apportioned to school districts during fiscal year
12 2012-2013 pursuant to section 15-973, Arizona Revised Statutes. The funding
13 deferral required by this subsection does not apply to charter schools.

14 B. In addition to any other appropriations made in fiscal year
15 2013-2014, the sum of \$952,627,700 is appropriated from the state general
16 fund in fiscal year 2013-2014 to the state board of education and the
17 superintendent of public instruction for basic state aid and additional state
18 aid entitlement for fiscal year 2013-2014. This appropriation shall be
19 disbursed after July 1, 2013 but no later than August 29, 2013 to the several
20 counties for the school districts in each county in amounts equal to the
21 reductions in apportionment of basic state aid and additional state aid that
22 are required pursuant to subsection A of this section for fiscal year
23 2012-2013.

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

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

29 A. In addition to any other appropriation reductions made in fiscal
30 year 2012-2013, the Arizona board of regents shall defer until after July 1,
31 2013, the sum of \$200,000,000, which is allocated to the universities in the
32 individual campus appropriations.

33 B. In addition to any other amounts appropriated to the Arizona board
34 of regents for fiscal year 2013-2014, the sum of \$200,000,000 is appropriated
35 from the state general fund to the Arizona board of regents to be distributed
36 for the support and maintenance of institutions under its jurisdiction for
37 payments deferred from fiscal year 2012-2013. The department of
38 administration shall distribute these monies to the board no later than
39 October 1, 2013.

40 Statewide Adjustments

41 Sec. 132. Appropriation; operating adjustments
42 2012-2013

43 State lease-purchase and rental rate	
44 adjustments	\$ 1,499,600
45 Fund sources:	
46 Other appropriated funds	\$ 1,499,600

1	Retirement rate adjustments	8,057,100
2	Fund sources:	
3	State general fund	6,602,900
4	Other appropriated funds	1,454,200
5	Department of law pro rata adjustments	(3,987,800)
6	Fund sources:	
7	State general fund	(3,987,800)
8	Annual retirement contribution rate	
9	adjustments	11,196,500
10	Fund sources:	
11	State general fund	9,202,800
12	Other appropriated funds	1,993,700
13	Health insurance premium holiday	
14	adjustments	(25,000,000)
15	Fund sources:	
16	State general fund	(25,000,000)
17	The other appropriated funds may be allocated from any funds listed in	
18	this act.	
19	<u>State lease-purchase and rental rate adjustments</u>	
20	The amount appropriated for state lease-purchase adjustments shall be	
21	for fiscal year 2012-2013 adjustments in agency or department lease-purchase	
22	and rental rate charges in agencies. These adjustments eliminate the	
23	payments for lease-purchase transactions completed in fiscal year 2011-2012,	
24	provide state rental rate payments for the completed lease-purchase	
25	transactions and reduce the usable square foot rental rate for state-owned	
26	space as prescribed in the fiscal year 2012-2013 budget procedures budget	
27	reconciliation bill, among other adjustments. The adjustments will generate	
28	\$252,000 in net state general fund savings, which the joint legislative	
29	budget committee staff shall allocate to the department of administration for	
30	building renewal in fiscal year 2012-2013. The joint legislative budget	
31	committee staff shall determine and the department of administration shall	
32	allocate to each agency or department an amount for the contribution	
33	adjustment. These adjustments may include reallocation of state general fund	
34	appropriations between state agency units. The joint legislative budget	
35	committee staff shall also determine and the department of administration	
36	shall allocate adjustments, as necessary, in expenditure authority to allow	
37	implementation of state lease-purchase and rental rate adjustments. It is	
38	the intent of the legislature that the auditor general not be charged rent	
39	for its state-owned space at 2910 N. 44 th Street beginning in fiscal year	
40	2013-2014 if this space continues to be maintained by the department of	
41	administration and the space still qualifies for the department of	
42	administration's building renewal monies. It is the intent of the	
43	legislature that the department of health services pay no more than \$908,900	
44	in rent to the department of administration for the department of health	
45	services' state-owned space in fiscal year 2012-2013.	
46	<u>Retirement rate adjustment</u>	

1 retention payments authorized in subsection B of this section. The joint
2 legislative budget committee staff shall determine and the department of
3 administration shall allocate to each agency or department an amount
4 available for the payments. The joint legislative budget committee staff
5 shall also determine and the department of administration shall allocate
6 adjustments, as necessary, in expenditure authority to allow implementation
7 of the payments.

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

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

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

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

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

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

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

1	19. Department of gaming	\$ 35,000
2	20. Arizona geological survey	\$ 6,800
3	21. Department of health services	\$170,000
4	22. Arizona historical society	\$ 700
5	23. Arizona department of housing	\$ 18,100
6	24. Department of insurance	\$ 10,500
7	25. Department of juvenile corrections	\$ 9,400
8	26. State land department	\$ 2,100
9	27. Department of liquor licenses and control	\$ 11,400
10	28. Arizona state lottery commission	\$ 24,800
11	29. State mine inspector	\$ 1,200
12	30. Arizona state parks board	\$ 45,800
13	31. State personnel board	\$ 600
14	32. Arizona pioneers' home	\$ 12,100
15	33. Commission for postsecondary education	\$ 1,800
16	34. Department of public safety	\$677,400
17	35. Arizona department of racing	\$ 2,300
18	36. Radiation regulatory agency	\$ 3,800
19	37. Arizona state retirement system	\$ 69,100
20	38. Department of revenue	\$ 4,900
21	39. School facilities board	\$ 2,400
22	40. Department of state - secretary of state	\$ 1,800
23	41. Office of tourism	\$ 8,100
24	42. State treasurer	\$ 9,200
25	43. Department of veterans' services	\$ 52,700
26	44. Department of weights and measures	\$ 4,200

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

30 Sec. 135. State employee health insurance premium holiday:
 31 report

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

44 Sec. 136. Allocation of funds

45 For the purposes of allocating the appropriations made by Laws 2011,
 46 chapter 24, section 137, the appropriations may be allocated from the

1 following funds, in addition to the funds listed in the appropriation:
2 drug and gang prevention resource center fund, children and family services
3 training program fund, Arizona state hospital fund, aggregate mining
4 reclamation fund, radiation regulatory fee fund, state treasurer's management
5 fund, water resources fund and capital improvement fund.

6 Other Provisions

7 Sec. 137. Legislative intent; expenditure reporting

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

18 Sec. 138. FTE positions; reporting; definition

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

35 Sec. 139. Filled FTE positions; reporting

36 By October 1, 2012, each agency, including the judiciary and
37 universities, shall submit a report to the director of the joint legislative
38 budget committee on the number of filled, appropriated FTE positions by fund
39 source. The number of filled, appropriated FTE positions reported shall be
40 as of September 1, 2012.

41 Sec. 140. Transfer of spending authority

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

46 Sec. 141. Interim reporting requirements

1 A. State general fund revenue for fiscal year 2011-2012, not including
2 the beginning balance and including one-time revenues, is forecasted to be
3 \$8,645,992,200.

4 B. State general fund revenue for fiscal year 2012-2013, not including
5 the beginning balance and including one-time revenues, is forecasted to be
6 \$8,693,355,700.

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

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

21 Sec. 142. Definition

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

25 Sec. 143. Definition

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

29 Sec. 144. Definition

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

APPROVED BY THE GOVERNOR MAY 7, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 8, 2012.