

THIS CHAPTER HAS LINE ITEM VETOED MATERIAL

Line item vetoed material shown BOLDED, *ITALICIZED* and underlined.

Conference Engrossed

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

CHAPTER 18
HOUSE BILL 2703

AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Subject to applicable laws, the sums or sources of revenue
 3 set forth in this act are appropriated for the fiscal years indicated and
 4 only from the funding sources listed for the purposes and objects specified.
 5 If monies from funding sources in this act are unavailable, no other funding
 6 source may be used.

7 Sec. 2. ARIZONA STATE BOARD OF ACCOUNTANCY

8		<u>2014-15</u>
9	FTE positions	13.0
10	Lump sum appropriation	\$ 1,933,700
11	Fund sources:	
12	Board of accountancy fund	\$ 1,933,700

13 Sec. 3. ACUPUNCTURE BOARD OF EXAMINERS

14		<u>2014-15</u>
15	FTE positions	1.0
16	Lump sum appropriation	\$ 154,600
17	Fund sources:	
18	Acupuncture board of examiners	
19	fund	\$ 154,600

20 Sec. 4. DEPARTMENT OF ADMINISTRATION

21		<u>2014-15</u>
22	FTE positions	504.1
23	Operating lump sum appropriation	\$ 86,430,800
24	Utilities	8,275,600
25	County attorney immigration	
26	enforcement	1,213,200
27	Risk management administrative	
28	expenses	8,746,100
29	Risk management losses and	
30	premiums	44,362,200
31	Workers' compensation losses	
32	and premiums	31,159,200
33	Statewide information security	
34	and privacy office	871,700
35	State surplus property sales	
36	proceeds	<u>1,260,000</u>
37	Total appropriation - department of	
38	administration	\$182,318,800
39	Fund sources:	
40	State general fund	\$ 11,144,600
41	Air quality fund	927,100
42	Automation operations fund	19,108,000
43	Capital outlay stabilization fund	18,070,700
44	Corrections fund	572,900
45	Federal surplus materials revolving	
46	fund	464,100

1	Information technology fund	3,232,300
2	Motor vehicle pool revolving fund	10,155,800
3	Personnel division fund	12,898,700
4	Risk management revolving fund	91,982,200
5	Special employee health insurance	
6	trust fund	5,259,200
7	State surplus materials revolving	
8	fund	2,399,600
9	State web portal fund	4,250,000
10	Telecommunications fund	1,853,600

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

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

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

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

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

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

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

33 Sec. 5. OFFICE OF ADMINISTRATIVE HEARINGS

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

40 Sec. 6. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS

41			<u>2014-15</u>
42	FTE positions		3.0
43	Lump sum appropriation	\$	125,000
44	Fund sources:		
45	State general fund	\$	125,000

1	Sec. 7. ARIZONA DEPARTMENT OF AGRICULTURE	
2		<u>2014-15</u>
3	FTE positions	161.0
4	Operating lump sum appropriation	\$ 7,881,800
5	Agricultural employment relations	
6	board	23,300
7	Animal damage control	65,000
8	Red imported fire ant	23,200
9	Agricultural consulting and	
10	training pari-mutuel	<u>128,500</u>
11	Total appropriation - department of	
12	agriculture	\$ 8,121,800
13	Fund sources:	
14	State general fund	\$ 8,121,800
15	Sec. 8. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
16		<u>2014-15</u>
17	FTE positions	2,208.3
18	Operating lump sum appropriation	\$ 77,785,300
19	DES eligibility	54,867,700
20	Proposition 204 - AHCCCS	
21	administration	<u>6,863,100</u>
22	Proposition 204 - DES eligibility	38,354,100
23	Traditional medicaid services	3,896,186,400
24	Proposition 204 services	1,948,717,900
25	Adult expansion	227,369,700
26	Children's rehabilitative services	197,070,000
27	KidsCare services	6,223,000
28	ALTCS services	1,344,569,500
29	Disproportionate share payments	13,487,100
30	Disproportionate share payments -	
31	voluntary match	19,373,400
32	Rural hospitals	22,650,000
33	Graduate medical education	165,918,500
34	Safety net care pool	<u>68,500,000</u>
35	Total appropriation and expenditure	
36	authority - Arizona health	
37	care cost containment system	\$8,087,935,700
38	Appropriated fund sources:	
39	State general fund	\$1,274,393,500
40	Budget neutrality compliance fund	3,384,400
41	Children's health insurance	
42	program fund	6,649,300
43	Prescription drug rebate	
44	fund - state	79,035,000
45	Tobacco products tax fund -	
46	emergency health services	

1	account	18,202,400
2	Tobacco tax and health care	
3	fund - medically needy account	34,178,800
4	Expenditure authority	6,672,092,300

5 Operating budget

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

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

17 Medical services

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

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

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

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

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

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

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

19 It is the intent of the legislature that the Arizona health care cost
20 containment system administration increase skilled nursing facility provider
21 rates by two per cent in fiscal year 2014-2015, in addition to rate
22 adjustments that would otherwise be actuarially determined for fiscal year
23 2014-2015.

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

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

32 The Arizona health care cost containment system administration shall
33 transfer \$1,000,000 from the traditional medicaid services line item for
34 fiscal year 2014-2015 to the automation projects fund established by section
35 41-714, Arizona Revised Statutes, to implement a tobacco tax processing and
36 revenue accounting system at the department of revenue.

37 Payments to hospitals

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

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

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

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

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

23 Other reports

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

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

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

41 Sec. 9. STATE BOARD OF APPRAISAL

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

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

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

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

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

3 Sec. 12. AUTOMOBILE THEFT AUTHORITY

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

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

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

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

23 Sec. 13. BOARD OF BARBERS

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

29 Sec. 14. BOARD OF BEHAVIORAL HEALTH EXAMINERS

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

36 Sec. 15. STATE BOARD FOR CHARTER SCHOOLS

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

42 Sec. 16. STATE BOARD OF CHIROPRACTIC EXAMINERS

43		<u>2014-15</u>
44	FTE positions	5.0
45	Lump sum appropriation	\$ 450,400
46	Fund sources:	

1	Board of chiropractic examiners	
2	fund	\$ 450,400
3	Sec. 17. ARIZONA COMMUNITY COLLEGES	
4		<u>2014-15</u>
5	<u>Equalization aid</u>	
6	Cochise	\$ 3,870,500
7	Graham	15,025,500
8	Navajo	<u>5,283,300</u>
9	Total - equalization aid	\$ 24,179,300
10	<u>Operating state aid</u>	
11	Cochise	\$ 5,343,400
12	Coconino	1,775,800
13	Gila	346,300
14	Graham	2,261,300
15	Maricopa	7,409,500
16	Mohave	1,543,300
17	Navajo	1,618,200
18	Pima	6,493,500
19	Pinal	2,023,900
20	Santa Cruz	47,900
21	Yavapai	887,000
22	Yuma/La Paz	<u>2,726,600</u>
23	Total - operating state aid	\$ 32,476,700
24	<u>STEM and workforce programs state aid</u>	
25	Cochise	\$ 1,236,700
26	Coconino	426,900
27	Gila	142,800
28	Graham	640,500
29	Maricopa	1,400,000
30	Mohave	593,700
31	Navajo	375,400
32	Pima	600,000
33	Pinal	1,009,300
34	Santa Cruz	45,400
35	Yavapai	802,900
36	Yuma/La Paz	<u>882,500</u>
37	Total - STEM and workforce programs	
38	state aid	\$ 8,156,100
39	Rural county reimbursement subsidy	\$ <u>1,273,800</u>
40	Total appropriation - Arizona community	
41	colleges	\$ 66,085,900
42	Fund sources:	
43	State general fund	\$ 66,085,900
44	Of the \$1,273,800 appropriated to the rural county reimbursement	
45	subsidy line item, Apache county receives \$699,300 and Greenlee county	
46	\$574,500.	

1	Sec. 18. REGISTRAR OF CONTRACTORS		
2			<u>2014-15</u>
3	FTE positions		105.6
4	Operating lump sum appropriation	\$	11,175,700
5	Office of administrative hearings		
6	costs		<u>1,017,600</u>
7	Total appropriation - registrar of		
8	contractors	\$	12,193,300
9	Fund sources:		
10	Registrar of contractors fund	\$	12,193,300
11	Any transfer to or from the amount appropriated for the office of		
12	administrative hearings costs line item requires review by the joint		
13	legislative budget committee.		
14	Sec. 19. CORPORATION COMMISSION		
15			<u>2014-15</u>
16	FTE positions		300.9
17	Operating lump sum appropriation	\$	26,266,800
18	Corporation filings, same day		
19	service		400,400
20	Securities division database		
21	upgrade		750,000
22	Utilities audits, studies,		
23	investigations and hearings		<u>380,000*</u>
24	Total appropriation - corporation commission	\$	27,797,200
25	Fund sources:		
26	State general fund	\$	609,700
27	Arizona arts trust fund		50,100
28	Investment management regulatory		
29	and enforcement fund		715,400
30	Public access fund		6,623,800
31	Securities regulatory and		
32	enforcement fund		5,570,800
33	Utility regulation revolving fund		14,227,400
34	The \$400,400 appropriated from the public access fund for the		
35	corporation filings, same day service line item reverts to the public access		
36	fund at the end of the fiscal year 2014-2015 if the commission has not		
37	established a same day service pursuant to section 10-122, Arizona Revised		
38	Statutes.		
39	Sec. 20. STATE DEPARTMENT OF CORRECTIONS		
40			<u>2014-15</u>
41	FTE positions		9,534.0
42	Operating lump sum appropriation	\$	772,227,800
43	Private prison per diem		144,321,300
44	Inmate health care contracted		
45	services		<u>125,274,900</u>
46	Total appropriation - state department		

1	of corrections	\$1,041,824,000
2	Fund sources:	
3	State general fund	\$ 996,912,200
4	State education fund for	
5	correctional education	516,200
6	Alcohol abuse treatment fund	554,400
7	Penitentiary land fund	979,200
8	State charitable, penal and	
9	reformatory institutions	
10	land fund	360,000
11	Corrections fund	27,517,600
12	Transition program fund	1,300,000
13	Prison construction and operations	
14	fund	13,684,400

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

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

29 The state department of corrections shall provide a report on bed
30 capacity to the joint legislative budget committee for its review on or
31 before August 1, 2014. The report must reflect the bed capacity for each
32 security classification by gender at each state-run and private institution,
33 divided by rated and total beds. The report must include bed capacity data
34 for June 30 of the previous fiscal year, June 30 of the current fiscal year
35 and June 30 of the subsequent fiscal year, as well as the reasons for any
36 change within that time period. Within the total bed count, the department
37 shall provide the number of temporary and special use beds. If the
38 department develops a plan subsequent to its August 1 report to close
39 state-operated prison rated beds or cancel or not renew contracts for
40 privately operated prison beds, the state department of corrections shall
41 submit a bed plan detailing the proposed bed closures for review by the joint
42 legislative budget committee before implementing these changes.

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

1 Twenty-five per cent of land earnings and interest from the state
 2 charitable, penal and reformatory institutions land fund must be distributed
 3 to the state department of corrections in compliance with the enabling act
 4 and the Constitution of Arizona to be used for the support of state penal
 5 institutions.

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

10 The department may spend a portion of its total appropriation on
 11 capital projects in fiscal year 2014-2015. Before the expenditure, the
 12 department shall submit the scope, purpose and estimated cost of the projects
 13 to the joint committee on capital review for its review pursuant to section
 14 41-1252, Arizona Revised Statutes.

15 Sec. 21. BOARD OF COSMETOLOGY

	<u>2014-15</u>
16 FTE positions	24.5
17 Lump sum appropriation	\$ 1,784,500
18 Fund sources:	
19 Board of cosmetology fund	\$ 1,784,500

20 Sec. 22. ARIZONA CRIMINAL JUSTICE COMMISSION

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

34 All victim compensation and assistance receipts received by the Arizona
 35 criminal justice commission in excess of \$4,092,500 in fiscal year 2014-2015
 36 are appropriated to the crime victims program. Before the expenditure of any
 37 victim compensation and assistance receipts in excess of \$4,092,500 in fiscal
 38 year 2014-2015, the Arizona criminal justice commission shall report the
 39 intended use of the monies to the joint legislative budget committee.

40 All state aid to county attorneys fund receipts received by the Arizona
 41 criminal justice commission in excess of \$973,600 in fiscal year 2014-2015
 42 are appropriated to the state aid to the county attorneys program. Before
 43 the expenditure of any state aid to county attorneys fund receipts in excess
 44

1 of \$973,600, the Arizona criminal justice commission shall report the
 2 intended use of the monies to the joint legislative budget committee.

3 Sec. 23. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

	<u>2014-15</u>
4	
5 FTE positions	541.2
6 Administration/statewide	\$ 4,207,600
7 Phoenix day school for the deaf	9,999,200
8 Tucson campus	14,348,300
9 Regional cooperatives	832,400
10 Preschool/outreach programs	5,255,300
11 School bus replacement	738,000
12 Replace network core infrastructure	695,800
13 Voucher fund adjustment	<u>(1,000,000)</u>
14 Total appropriation - Arizona state schools	
15 for the deaf and the blind	\$ 35,076,600
16 Fund sources:	
17 State general fund	\$ 22,491,100
18 Schools for the deaf and the	
19 blind fund	12,585,500

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

24 Sec. 24. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

	<u>2014-15</u>
25	
26 FTE positions	15.0
27 Lump sum appropriation	\$ 4,015,400
28 Fund sources:	
29 Telecommunication fund for	
30 the deaf	\$ 4,015,400

31 Sec. 25. STATE BOARD OF DENTAL EXAMINERS

	<u>2014-15</u>
32	
33 FTE positions	11.0
34 Lump sum appropriation	\$ 1,214,800
35 Fund sources:	
36 Dental board fund	\$ 1,214,800

37 Sec. 26. DEPARTMENT OF ECONOMIC SECURITY

	<u>2014-15</u>
38	
39 FTE positions	6,722.5
40 Operating lump sum appropriation	\$208,901,600
41 <u>Administration</u>	
42 Attorney general legal services	11,324,500
43 <u>Aging and adult services</u>	
44 Adult services	7,924,100
45 Community and emergency services	3,724,000
46 Coordinated homeless	2,522,600

1	Domestic violence prevention	12,123,700
2	<u>Benefits and medical eligibility</u>	
3	Temporary assistance for needy	
4	families cash benefits	44,999,400
5	Coordinated hunger	1,754,600
6	Tribal pass-through funding	4,680,300
7	<u>Child support enforcement</u>	
8	County participation	6,740,200
9	<u>Child safety and family services</u>	
10	Division of child safety and	
11	family services operating	
12	lump sum appropriation	210,655,900
13	Division of child safety and	
14	family services attorney	
15	general legal services	18,260,500
16	Records retention staff	597,400
17	Adoption services	188,483,300
18	In-home preventive support	
19	services	28,432,100
20	Out-of-home support services	116,729,900
21	CPS emergency and residential	
22	placement	76,467,000
23	Foster care placement	46,328,400
24	Independent living maintenance	3,469,300
25	Intensive family services	8,500,000
26	Permanent guardianship subsidy	11,215,300
27	Grandparent stipends	1,000,000
28	<u>Developmental disabilities</u>	
29	Case management - medicaid	47,727,500
30	Home and community based	
31	services - medicaid	804,205,900
32	Institutional services -	
33	medicaid	18,964,400
34	Medical services - medicaid	138,600,200
35	Arizona training program at	
36	Coolidge - medicaid	15,903,500
37	Medicare clawback payments	2,902,400
38	Case management - state-only	3,926,600
39	Home and community based	
40	services - state-only	35,096,700
41	State-funded long-term care	
42	services	26,527,900
43	Autism parenting skills -	
44	rural areas	300,000
45	<u>Employment and rehabilitation services</u>	
46	JOBS	11,005,600

1	Day care subsidy	130,396,600
2	Independent living rehabilitation	
3	services	1,289,400
4	Rehabilitation services	3,799,100
5	Workforce investment act	
6	services	53,654,600
7	<u>Agencywide</u>	
8	Contingency funding	<u>1,449,300</u>
9	Total appropriation - department of	
10	economic security	\$2,310,583,800
11	Fund sources:	
12	State general fund	755,846,600
13	Federal child care and	
14	development fund block grant	130,769,700
15	Federal temporary assistance for	
16	needy families block grant	218,705,400
17	Public assistance collections	
18	fund	427,000
19	Special administration fund	2,829,900
20	Spinal and head injuries trust	
21	fund	1,874,700
22	Statewide cost allocation plan	
23	fund	1,000,000
24	Child abuse prevention fund	1,459,100
25	Children and family services	
26	training program fund	207,700
27	Child support enforcement	
28	administration fund	16,787,400
29	Domestic violence shelter fund	2,220,000
30	Long-term care system fund	31,198,500
31	Workforce investment act grant	56,060,000
32	Child support enforcement	
33	administration fund expenditure	
34	authority	40,397,800
35	Developmental disabilities medicaid	
36	expenditure authority	745,999,600
37	Division of child safety and family	
38	services expenditure authority	304,800,400

39 Administration

40 In accordance with section 35-142.01, Arizona Revised Statutes, the
41 department of economic security shall remit to the department of
42 administration any monies received as reimbursement from the federal
43 government or any other source for the operation of the department of
44 economic security west building and any other building lease-purchased by the
45 state of Arizona in which the department of economic security occupies space.

1 The department of administration shall deposit these monies in the state
2 general fund.

3 Aging and adult services

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

9 The department of economic security shall report to the joint
10 legislative budget committee on the amount of state and federal monies
11 available statewide for domestic violence funding on or before December
12 15, 2014. The report must include, at a minimum, the amount of monies
13 available and the state fiscal agent receiving those monies.

14 Benefits and medical eligibility

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

18 Child support enforcement

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

25 Child safety and family services

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

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

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

45 Before the expenditure of monies from the intensive family services
46 line item in fiscal year 2014-2015, the department of economic security shall

1 submit an expenditure plan for review by the joint legislative budget
2 committee. The expenditure plan must include an estimate of any comparable
3 funding in the in-home preventive support services line item.

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

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

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

18 It is the intent of the legislature that the funding in the in-home
19 preventive support services line item be used for families whose children are
20 at risk of out-of-home placement due to abuse, neglect or dependency, while
21 the funding in the out-of-home support services line item is for children in
22 out-of-home placements.

23 The legislature recognizes that legislation is being developed for a
24 successor agency for child protective services that is separate from the
25 department of economic security. Since that task is not complete, this
26 budget has been adopted without knowing the scope, department needs and
27 funding requirements for the successor agency that are necessary to protect
28 the safety of the children in this state. It is the intent of the
29 legislature to reexamine the budget in conjunction with the legislation that
30 will create a successor agency, in order to meet the needs of that successor
31 agency. The needs include staffing, automation, support services, placement,
32 early intervention services and any needs deemed essential for the successor
33 agency services and the safety of children in this state.

34 Developmental disabilities

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

45 All monies in the long-term care system fund unexpended and
46 unencumbered at the end of fiscal year 2014-2015 revert to the state general

1 fund, subject to approval by the Arizona health care cost containment system
2 administration.

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

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

23 Prior to the implementation of any developmentally disabled or
24 long-term care statewide provider rate adjustments not already specifically
25 authorized by the legislature, court mandates or changes to federal law, the
26 department shall submit a report for review by the joint legislative budget
27 committee. The report must include, at a minimum, the estimated cost of the
28 provider rate adjustment and the ongoing source of funding for the
29 adjustment, if applicable.

30 It is the intent of the legislature that the department of economic
31 security increase home and community based service provider rates by two per
32 cent above the June 30, 2014 rate beginning on July 1, 2014. The two per
33 cent provider rate increase for home and community based service provider
34 rates may not be used for any administrative costs of the department of
35 economic security. It is the intent of the legislature that the department
36 of economic security not reduce any developmentally disabled provider rates
37 in order to fund increases for other developmentally disabled provider
38 service rates.

39 Employment and rehabilitation services

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

44 All federal workforce investment act monies that are received by this
45 state in excess of \$56,060,000 are appropriated to the workforce investment
46 act services line item. Before the expenditure of these increased monies,

1 the department of economic security shall report the intended use of monies
2 above \$56,060,000 to the joint legislative budget committee.

3 Departmentwide

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

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

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

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

1 Sec. 27. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION
2 2014-15
3 FTE positions 175.9
4 Operating lump sum appropriation \$ 8,599,100
5 Fund sources:
6 State general fund \$ 8,261,000
7 Teacher certification fund 138,100
8 Department of education empowerment
9 scholarship account fund 200,000
10 The operating lump sum appropriation includes \$683,900 and 8.5 FTE
11 positions for average daily membership auditing and \$200,000 and 2 FTE
12 positions for information technology security services.
13 Basic state aid \$2,397,082,600
14 Fund sources:
15 State general fund \$2,350,607,100
16 Permanent state school fund 46,475,500
17 The above appropriation provides basic state support to school
18 districts for maintenance and operations funding as provided by section
19 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in
20 expendable income derived from the permanent state school fund and from state
21 trust lands pursuant to section 37-521, subsection B, Arizona Revised
22 Statutes, for fiscal year 2014-2015.
23 Receipts derived from the permanent state school fund and any other
24 nonstate general fund revenue source that is dedicated to fund basic state
25 aid must be expended, whenever possible, before expenditure of state general
26 fund monies.
27 Except as required by section 37-521, Arizona Revised Statutes, all
28 monies received during the fiscal year from national forests, interest
29 collected on deferred payments on the purchase of state lands, the income
30 from the investment of permanent funds as prescribed by the enabling act and
31 the Constitution of Arizona and all monies received by the superintendent of
32 public instruction from whatever source, except monies received pursuant to
33 sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the
34 state treasury are appropriated for apportionment to the various counties in
35 accordance with law. An expenditure may not be made except as specifically
36 authorized above.
37 K-3 reading 40,007,600
38 The appropriated amount is for funding costs of the K-3 reading weight
39 established in section 15-943, Arizona Revised Statutes, except that the
40 state board of education may use up to \$1,500,000 of the appropriated amount
41 on technical assistance and state level administration of the K-3 reading
42 program. The appropriated amount includes 2 FTE positions.
43 School year 2013-2014
44 school district charter
45 school conversions 24,500,000

1 Incremental monies for school district charter schools that converted
2 to charter school status or that began operating as new schools under charter
3 school status in fiscal year 2013-2014 may be expended only from the monies
4 appropriated in the school year 2013-2014 school district charter schools
5 conversions line item. It is the intent of the legislature that incremental
6 monies provided for school district charter schools that converted to charter
7 school status or that began operating as new schools under charter school
8 status for fiscal year 2013-2014 be funded in fiscal year 2014-2015 at
9 \$24,500,000 in state aid statewide and that school district budget limits
10 must be reduced accordingly. The department of education shall allocate
11 monies from the school year 2013-2014 school district charter school
12 conversions line item on a pro rata basis based on the amount of incremental
13 monies for state aid that individual school district charter schools that
14 converted to charter school status or that began operating as new schools
15 under charter school status for fiscal year 2013-2014 received for fiscal
16 year 2013-2014. In addition, it is the intent of the legislature that
17 incremental monies provided through local property taxes for school district
18 charter schools that converted to charter school status or that began
19 operating as new schools under charter school status for fiscal year 2013-
20 2014 in school districts that are not eligible to receive basic state aid
21 funding be reduced in fiscal year 2014-2015 by the same proportion that
22 incremental monies for state aid are reduced for school districts that are
23 eligible for basic state aid funding for fiscal year 2014-2015 and that
24 school district budget limits be reduced accordingly. "Incremental monies"
25 means the additional funding that a school district charter school receives
26 under the state K-12 equalization funding formula above what it would receive
27 under that formula if the school was a district noncharter school.

28	Student success funding	\$ 21,500,000
29	Fund sources:	
30	Student success fund	\$ 21,500,000
31	Additional state aid	352,502,000
32	Special education fund	33,242,100
33	Other state aid to districts	983,900
34	Accountability and achievement	
35	testing	\$ 18,223,600
36	Fund sources:	
37	State general fund	\$ 11,223,600
38	Proposition 301 fund	7,000,000

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

43	Adult education	4,500,000
44	Alternative teacher development	
45	program	500,000

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

10	Arizona structured English immersion	
11	fund	4,960,400
12	English learner administration	6,516,200

13 The department of education must use the appropriated amount to provide
14 English language acquisition services for the purposes of section 15-756.07,
15 Arizona Revised Statutes, and for the costs of providing English language
16 proficiency assessments, scoring and ancillary materials as prescribed by the
17 department of education to school districts and charter schools for the
18 purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
19 department of education may use a portion of the appropriated amount to hire
20 staff or contract with a third party to carry out the purposes of section
21 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona
22 Revised Statutes, the superintendent of public instruction also may use a
23 portion of the appropriated amount to contract with one or more private
24 attorneys to provide legal services in connection with the case of Flores v.
25 State of Arizona, No. CIV 92-596-TUC-RCC.

26	Information technology certifications	\$1,000,000
27	JTED performance pay	500,000

28 The department of education shall distribute the appropriated amount to
29 joint technical education districts on a pro rata basis based on the actual
30 costs incurred to secure industry credential assessments and examinations for
31 eligible students in joint technical education districts.

32 ~~JTED soft capital and equipment 1,000,000~~

33 ~~The department of education shall distribute the appropriated amount to~~
34 ~~joint technical education districts with fewer than two thousand average~~
35 ~~daily membership pupils for soft capital and equipment expenses. The~~
36 ~~appropriated amount must be allocated on a pro rata basis based on the~~
37 ~~average daily membership of eligible joint technical education districts.~~

38	Student success fund deposit	22,400,000*
39	School safety program	3,646,400
40	State block grant for vocational	
41	education	11,575,400
42	Teacher certification	\$ 1,841,900
43	Fund sources:	
44	Teacher certification fund	\$ 1,841,900
45	State board of education	\$ 1,614,400
46	Fund sources:	

1	State general fund	\$ 1,234,700
2	Teacher certification fund	379,700
3	The state board of education may establish its own strategic plan	
4	separate from that of the department of education and based on its own	
5	separate mission, goals and performance measures.	
6	Total appropriation - state board of	
7	education and superintendent	
8	of public instruction	
9		<u>\$2,956,695,600</u>

10	Fund sources:	
11	State general fund	\$2,879,160,400
12	Proposition 301 fund	7,000,000
13	Permanent state school fund	46,475,500
14	Teacher certification fund	2,359,700
15	Student success fund	21,500,000
16	Department of education empowerment	
17	scholarship account fund	200,000

18 The department shall provide an updated report on its budget status
 19 every three months for the first half of each fiscal year and every month
 20 thereafter to the president of the senate, the speaker of the house of
 21 representatives, the chairpersons of the senate and house of representatives
 22 appropriations committees, the director of the joint legislative budget
 23 committee and the director of the governor's office of strategic planning and
 24 budgeting. Each report must include, at a minimum, the department's current
 25 funding surplus or shortfall projections for basic state aid and other major
 26 formula-based programs and is due thirty days after the end of the applicable
 27 reporting period.

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

32 For fiscal year 2014-2015, the state board of education, in
 33 collaboration with the department of education and the department of
 34 administration, shall report quarterly on or before the last day of each
 35 calendar quarter on its progress in implementing the education learning and
 36 accountability fund to the president of the senate, the speaker of the house
 37 of representatives, the chairpersons of the senate and house of
 38 representatives appropriations committees, the director of the joint
 39 legislative budget committee and the director of the governor's office of
 40 strategic planning and budgeting.

41	Sec. 28. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS	
42		<u>2014-15</u>
43	FTE positions	63.1
44	Administration	\$ 1,805,700
45	Emergency management	861,900
46	Military affairs	2,542,900

1	Military installation fund deposit	<u>2,500,000</u>
2	Total appropriation - department of	
3	emergency and military affairs	\$ 7,710,500
4	Fund sources:	
5	State general fund	\$ 7,577,800
6	Emergency response fund	132,700

7 The department of emergency and military affairs appropriation includes
8 \$1,215,000 for service contracts. This amount is exempt from the provisions
9 of section 35-190, Arizona Revised Statutes, relating to lapsing of
10 appropriations, except that all fiscal year 2014-2015 monies remaining
11 unexpended and unencumbered on October 31, 2015 revert to the state general
12 fund.

13 Sec. 29. DEPARTMENT OF ENVIRONMENTAL QUALITY

14		<u>2014-15</u>
15	FTE positions	322.0
16	Operating lump sum appropriation	\$ 46,214,500
17	Safe drinking water program	1,800,000
18	Emissions control contractor	
19	payment	<u>21,119,500</u>
20	Total appropriation - department of	
21	environmental quality	\$ 69,134,000
22	Fund sources:	
23	Air permits administration fund	\$ 7,143,900
24	Air quality fund	5,376,400
25	Emissions inspection fund	28,392,300
26	Hazardous waste management fund	1,742,700
27	Indirect cost recovery fund	13,308,500
28	Recycling fund	1,359,400
29	Solid waste fee fund	1,242,700
30	Underground storage tank	
31	revolving fund	22,000
32	Water quality fee fund	10,546,100

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

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

40 The department of environmental quality shall report annually on the
41 progress of WQARF activities, including emergency response, priority site
42 remediation, cost recovery activity, revenue and expenditure activity and
43 other WQARF-funded program activity. This report must also include a budget
44 for the WQARF program that is developed in consultation with the WQARF
45 advisory board. The department shall submit the fiscal year 2014-2015 report
46 to the joint legislative budget committee on or before September 1, 2014.

1 This budget must specify the monies budgeted for each listed site during
 2 fiscal year 2014-2015. In addition, the department and the advisory board
 3 shall prepare and submit to the joint legislative budget committee, on or
 4 before October 2, 2014, a report in a table format summarizing the current
 5 progress on remediation of each listed site on the WQARF registry. The table
 6 must include the stage of remediation for each site at the end of fiscal year
 7 2013-2014, indicate whether the current stage of remediation is anticipated
 8 to be completed in fiscal year 2014-2015 and indicate the anticipated stage
 9 of remediation at each listed site at the end of fiscal year 2014-2015,
 10 assuming fiscal year 2014-2015 funding levels. The department and advisory
 11 board may include other relevant information about the listed sites in the
 12 table.

13 All air permits administration revenues received by the department of
 14 environmental quality in excess of \$7,143,900 in fiscal year 2014-2015 are
 15 appropriated to the department. Before the expenditure of air permits
 16 administration receipts in excess of \$7,143,900 in fiscal year 2014-2015, the
 17 department of environmental quality shall report the intended use of the
 18 monies to the joint legislative budget committee.

19 All indirect cost recovery fund revenues received by the department of
 20 environmental quality in excess of \$13,308,500 in fiscal year 2014-2015 are
 21 appropriated to the department. Before the expenditure of indirect cost
 22 recovery fund receipts in excess of \$13,308,500 in fiscal year 2014-2015, the
 23 department of environmental quality shall report the intended use of the
 24 monies to the joint legislative budget committee.

25 Sec. 30. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

		<u>2014-15</u>
26		
27	FTE positions	4.0
28	Lump sum appropriation	\$ 188,500
29	Fund sources:	
30	State general fund	\$ 188,500

31 Sec. 31. STATE BOARD OF EQUALIZATION

		<u>2014-15</u>
32		
33	FTE positions	7.0
34	Lump sum appropriation	\$ 639,500
35	Fund sources:	
36	State general fund	\$ 639,500

37 Sec. 32. BOARD OF EXECUTIVE CLEMENCY

		<u>2014-15</u>
38		
39	FTE positions	14.0
40	Lump sum appropriation	\$ 958,400
41	Fund sources:	
42	State general fund	\$ 958,400

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

1	Sec. 33. ARIZONA EXPOSITION AND STATE FAIR BOARD	
2		<u>2014-15</u>
3	FTE positions	184.0
4	Lump sum appropriation	\$ 11,618,800
5	Fund sources:	
6	Arizona exposition and state	
7	fair fund	\$ 11,618,800
8	Sec. 34. DEPARTMENT OF FINANCIAL INSTITUTIONS	
9		<u>2014-15</u>
10	FTE positions	60.1
11	Lump sum appropriation	\$ 4,266,200
12	Fund sources:	
13	State general fund	\$ 3,019,100
14	Financial services fund	1,247,100
15	The department of financial institutions shall assess and set fees to	
16	ensure that monies deposited in the state general fund will equal or exceed	
17	its expenditure from the state general fund.	
18	Sec. 35. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY	
19		<u>2014-15</u>
20	FTE positions	48.0
21	Operating lump sum appropriation	\$ 2,026,000
22	Fire school	<u>175,000</u>
23	Total appropriation - department of fire,	
24	building and life safety	\$ 2,201,000
25	Fund sources:	
26	State general fund	\$ 2,201,000
27	Sec. 36. STATE FORESTER	
28		<u>2014-15</u>
29	FTE positions	55.0
30	Operating lump sum appropriation	\$ 2,779,200
31	Environmental county grants	275,000
32	Inmate fire crews	695,700
33	Fire suppression	1,000,000
34	Hazardous vegetation removal	<u>1,350,000</u>
35	Total appropriation - state forester	\$ 6,099,900
36	Fund sources:	
37	State general fund	\$ 6,099,900
38	Sec. 37. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
39		<u>2014-15</u>
40	FTE positions	4.0
41	Lump sum appropriation	\$ 353,600
42	Fund sources:	
43	Board of funeral directors' and	
44	embalmers' fund	\$ 353,600

1	Sec. 38. ARIZONA GAME AND FISH DEPARTMENT	
2		<u>2014-15</u>
3	FTE positions	273.5
4	Operating lump sum appropriation	\$ 34,347,800
5	Pittman - Robertson/Dingell -	
6	Johnson act	3,808,000
7	Performance incentive pay program	346,100*
8	Lower Colorado multispecies	
9	conservation	350,000
10	Watercraft grant program	1,000,000
11	Watercraft safety education program	<u>250,000</u>
12	Total appropriation - game and fish	
13	department	\$ 40,101,900
14	Fund sources:	
15	Capital improvement fund	\$ 999,700
16	Game and fish fund	34,184,100
17	Wildlife endowment fund	16,000
18	Watercraft licensing fund	4,555,800
19	Game, non-game, fish and	
20	endangered species fund	346,300
21	In addition to the \$3,808,000 for the Pittman - Robertson/Dingell -	
22	Johnson act line item, the lump sum appropriation includes \$50,000 for	
23	cooperative fish and wildlife research, which may be used for the purpose of	
24	matching federal and apportionment funds.	
25	The \$300,000 from the game and fish fund and \$46,100 from the	
26	watercraft licensing fund in fiscal year 2014-2015 for the performance	
27	incentive pay program line item must be used for personal services and	
28	employee-related expenditures associated with the department's performance	
29	incentive pay program. This appropriation is a continuing appropriation and	
30	is exempt from the provisions of section 35-190, Arizona Revised Statutes,	
31	relating to lapsing of appropriations.	
32	Sec. 39. DEPARTMENT OF GAMING	
33		<u>2014-15</u>
34	FTE positions	115.3
35	Operating lump sum appropriation	\$ 8,312,900
36	Additional operating expenses	800,400
37	Casino operations certification	2,104,000
38	Problem gambling	<u>2,279,700</u>
39	Total appropriation - department of gaming	\$ 13,497,000
40	Fund sources:	
41	Tribal-state compact fund	\$ 2,104,000
42	Arizona benefits fund	11,093,000
43	State lottery fund	300,000

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

7 Sec. 40. ARIZONA GEOLOGICAL SURVEY

8		<u>2014-15</u>
9	FTE positions	10.3
10	Lump sum appropriation	\$ 941,400
11	Fund sources:	
12	State general fund	\$ 941,400

13 Sec. 41. OFFICE OF THE GOVERNOR

14		<u>2014-15</u>
15	Lump sum appropriation	\$ 6,926,000*
16	Fund sources:	
17	State general fund	\$ 6,926,000

18 Included in the lump sum appropriation of \$6,926,000 for fiscal year
 19 2014-2015 is \$10,000 for the purchase of mementos and items for visiting
 20 officials.

21 Sec. 42. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

22		<u>2014-15</u>
23	FTE positions	22.0
24	Lump sum appropriation	\$ 1,993,200*
25	Fund sources:	
26	State general fund	\$ 1,993,200

27 Sec. 43. DEPARTMENT OF HEALTH SERVICES

28		<u>2014-15</u>
29	FTE positions	1,176.7
30	Operating lump sum appropriation	\$ 66,389,200
31	<u>Public health/family health</u>	
32	Adult cystic fibrosis	105,200
33	AIDS reporting and surveillance	1,000,000
34	Alzheimer's disease research	2,375,000
35	Breast and cervical cancer and	
36	bone density screening	1,369,400
37	County tuberculosis provider care	
38	and control	590,700
39	Folic acid	400,000
40	High risk perinatal services	2,543,400
41	Newborn screening program	6,307,000
42	Nonrenal disease management	198,000
43	Nursing facility study	50,000
44	Poison control centers funding	990,000
45	Renal dental care and nutrition	
46	supplements	300,000

1	<u>Behavioral health</u>	
2	Arizona state hospital - operating	58,349,500
3	Arizona state hospital - restoration	
4	to competency	900,000
5	Arizona state hospital - sexually	
6	violent persons	9,728,700
7	Crisis services	16,391,100
8	Medicaid behavioral health -	
9	adult expansion	73,805,900
10	Medicaid behavioral health -	
11	comprehensive medical and	
12	dental program	182,521,300
13	Medicaid behavioral health -	
14	proposition 204	533,313,600
15	Medicaid behavioral health -	
16	traditional	819,169,600
17	Medicaid insurance premium	
18	payments	23,795,400
19	Medicare clawback payments	14,100,700
20	Mental health first aid	250,000
21	Non-medicaid seriously	
22	mentally ill services	78,846,900
23	Proposition 204 administration	6,446,700
24	Supported housing	<u>5,324,800</u>
25	Total appropriation and expenditure	
26	authority - department of	
27	health services	\$1,905,562,100
28	Fund sources:	
29	State general fund	\$ 613,163,100
30	Arizona state hospital fund	9,587,800
31	Arizona state hospital land	
32	earnings fund	650,000
33	Capital outlay stabilization fund	1,559,800
34	Child fatality review fund	94,800
35	Emergency medical services	
36	operating fund	5,121,400
37	Environmental laboratory licensure	
38	revolving fund	926,900
39	Federal child care and development	
40	fund block grant	879,400
41	Health services licensing fund	9,272,600
42	Indirect cost fund	8,940,400
43	Newborn screening program fund	6,738,900
44	Nursing care institution resident	
45	protection revolving fund	88,200
46	Substance abuse services fund	2,250,000

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

8 Public health/family health

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

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

15 Behavioral health

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

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

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

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

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

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

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

24 Departmentwide

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

37 Sec. 44. ARIZONA HISTORICAL SOCIETY

38		<u>2014-15</u>
39	FTE positions	51.9
40	Operating lump sum appropriation	\$ 2,116,500
41	Arizona experience museum	428,300
42	Field services and grants	66,000
43	Papago park museum	<u>544,200</u>
44	Total appropriation - Arizona historical	
45	society	\$ 3,155,000
46	Fund sources:	

1	State general fund	\$ 3,155,000
2	On or before November 28, 2014, the Arizona historical society and the	
3	department of administration shall submit a joint report to the joint	
4	legislative budget committee on the options for use of the now-vacant mining	
5	and mineral museum at 1502 West Washington street. The options may include	
6	reopening the space as a museum, converting the space into offices or selling	
7	the facility. The report must address the costs of each option. The report	
8	must also identify the option recommended by the society and the option	
9	recommended by the department.	
10	Sec. 45. PRESCOTT HISTORICAL SOCIETY	
11		<u>2014-15</u>
12	FTE positions	13.0
13	Lump sum appropriation	\$ 826,000
14	Fund sources:	
15	State general fund	\$ 826,000
16	Sec. 46. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS	
17		<u>2014-15</u>
18	FTE positions	1.0
19	Lump sum appropriation	\$ 102,100
20	Fund sources:	
21	Board of homeopathic and	
22	integrated medicine	
23	examiners' fund	\$ 102,100
24	Sec. 47. ARIZONA DEPARTMENT OF HOUSING	
25		<u>2014-15</u>
26	FTE positions	3.0
27	Lump sum appropriation	\$ 313,800
28	Fund sources:	
29	Housing trust fund	\$ 313,800
30	Sec. 48. ARIZONA COMMISSION OF INDIAN AFFAIRS	
31		<u>2014-15</u>
32	FTE positions	3.0
33	Lump sum appropriation	\$ 56,900
34	Fund sources:	
35	State general fund	\$ 56,900
36	Sec. 49. INDUSTRIAL COMMISSION OF ARIZONA	
37		<u>2014-15</u>
38	FTE positions	235.6
39	Lump sum appropriation	\$ 19,989,500
40	Fund sources:	
41	Administrative fund	\$ 19,989,500
42	Sec. 50. DEPARTMENT OF INSURANCE	
43		<u>2014-15</u>
44	FTE positions	90.5
45	Lump sum appropriation	\$ 5,364,900
46	Fund sources:	

1	State general fund	\$ 5,364,900
2	Sec. 51. ARIZONA JUDICIARY	
3		<u>2014-15</u>
4	<u>Supreme court</u>	
5	FTE positions	175.0
6	Operating lump sum appropriation	\$ 14,072,600
7	Automation	11,344,600
8	Case and cash management system	3,326,500
9	County reimbursements	187,900
10	Court appointed special advocate	3,042,900
11	Domestic relations	655,400
12	Foster care review board	3,617,100
13	Commission on judicial conduct	522,300
14	Judicial nominations and	
15	performance review	428,400
16	Model court	447,600
17	State aid	<u>5,949,100</u>
18	Total appropriation - supreme court	\$ 43,594,400
19	Fund sources:	
20	State general fund	\$ 16,020,000
21	Confidential intermediary and	
22	fiduciary fund	488,000
23	Court appointed special advocate	
24	fund	2,940,900
25	Criminal justice enhancement fund	3,004,500
26	Defensive driving school fund	4,194,400
27	Judicial collection enhancement	
28	fund	14,002,000
29	State aid to the courts fund	2,944,600

30 On or before September 1, 2014, the supreme court shall report to the
 31 joint legislative budget committee on current and future automation projects
 32 coordinated by the administrative office of the courts. The report must
 33 include a list of court automation projects receiving or anticipated to
 34 receive state monies in the current or next two fiscal years as well as a
 35 description of each project, the number of FTE positions, the entities
 36 involved and the goals and anticipated results for each automation project.
 37 The report must be submitted in one summary document. The report must
 38 indicate each project's total multiyear cost by fund source and budget line
 39 item, including any prior year, current year and future year expenditures.

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

42 Of the \$187,900 appropriated for county reimbursements, state grand
 43 jury is limited to \$97,900 and capital postconviction relief is limited to
 44 \$90,000.

45 The appropriation includes 40 FTE positions for the foster care review
 46 board, which is an increase of 3 FTE positions from fiscal year 2013-2014.

1 The supreme court shall allocate sufficient monies to the foster care review
2 board to hire 3 additional employees.

3 Court of appeals

4	FTE positions	136.8
5	Division I	\$ 10,065,400
6	Division II	<u>\$ 4,350,900</u>
7	Total appropriation - court of appeals	\$ 14,416,300

8 Fund sources:

9	State general fund	\$ 14,416,300
---	--------------------	---------------

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

12 Superior court

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

28 Fund sources:

29	State general fund	\$ 79,670,300
30	Criminal justice enhancement fund	7,002,200
31	Drug treatment and education fund	500,000
32	Judicial collection enhancement	
33	fund	6,029,200

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

40 Up to 4.6 per cent of the amounts appropriated for juvenile treatment
41 services and juvenile diversion consequences may be retained and expended by
42 the supreme court to administer the programs established pursuant to section
43 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The
44 remaining portion of the juvenile treatment services and juvenile diversion
45 consequences appropriations must be deposited in the juvenile probation
46 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 On or before November 1, 2014, the administrative office of the courts
6 shall report to the joint legislative budget committee the fiscal year
7 2013-2014 actual, fiscal year 2014-2015 estimated and fiscal year 2015-2016
8 requested 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 must 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 must delineate how
22 the office expends these monies that are not distributed as direct aid to
23 counties.

24 Sec. 52. DEPARTMENT OF JUVENILE CORRECTIONS

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

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

41 Sec. 53. STATE LAND DEPARTMENT

42		<u>2014-15</u>
43	FTE positions	130.7
44	Operating lump sum appropriation	\$ 15,104,600
45	Natural resource conservation	
46	districts	650,000

1	CAP user fees	673,600
2	Due diligence fund	500,000
3	Scanning and digitizing trust	
4	land records	1,200,000
5	Northern Arizona landing strip	10,000
6	Total appropriation - state land department	\$ 18,138,200
7	Fund sources:	
8	State general fund	\$ 12,515,700
9	Environmental special plate fund	260,000
10	Due diligence fund	500,000
11	Trust land management fund	4,862,500

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

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

21 Sec. 54. LEGISLATURE

22		<u>2014-15</u>
23	<u>Senate</u>	
24	Lump sum appropriation	\$ 8,283,800*
25	Fund sources:	
26	State general fund	\$ 8,283,800
27	Included in the lump sum appropriation of \$8,283,800 for fiscal year	
28	2014-2015 is \$1,000 for the purchase of mementos and items for visiting	
29	officials.	
30	<u>House of representatives</u>	
31	Lump sum appropriation	\$ 13,372,200*
32	Fund sources:	
33	State general fund	\$ 13,372,200
34	Included in the lump sum appropriation of \$13,372,200 for fiscal year	
35	2014-2015 is \$1,000 for the purchase of mementos and items for visiting	
36	officials.	
37	<u>Legislative council</u>	
38	FTE positions	49.0
39	Operating lump sum appropriation	\$ 7,418,000
40	Ombudsman citizens aide office	828,500
41	Total appropriation - legislative	
42	council	\$ 8,246,500*
43	Fund sources:	
44	State general fund	\$ 8,246,500

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

1 It is the intent of the legislature that the ombudsman-citizens aide
2 prioritize the investigation and processing of complaints relating to child
3 protective services or its successor agency.

4 Joint legislative budget committee

5 FTE positions 29.0
6 Lump sum appropriation \$ 2,492,000*
7 Fund sources:
8 State general fund \$ 2,492,000

9 Auditor general

10 FTE positions 184.8
11 Lump sum appropriation \$ 17,989,700*
12 Fund sources:
13 State general fund \$ 17,989,700

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

16 Sec. 55. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

17 2014-15

18 FTE positions 45.2
19 Operating lump sum appropriation \$ 2,939,100
20 Licensing replacement system 626,700

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

23 Fund sources:

24 Liquor licenses fund \$ 3,565,800

25 Sec. 56. ARIZONA STATE LOTTERY COMMISSION

26 2014-15

27 FTE positions 98.8
28 Operating lump sum appropriation \$ 8,418,700
29 Advertising 15,500,000

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

32 Fund source:

33 State lottery fund \$ 23,918,700

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

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

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

45 An amount equal to 6.5 per cent of gross lottery game sales, less tab
46 tickets, is appropriated for payment of sales commissions to ticket

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

5 Sec. 57. BOARD OF MASSAGE THERAPY

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

11 Sec. 58. ARIZONA MEDICAL BOARD

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

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

21 Sec. 59. STATE MINE INSPECTOR

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

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

37 Sec. 60. NATUROPATHIC PHYSICIANS MEDICAL BOARD

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

44 Sec. 61. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

45		<u>2014-15</u>
46	FTE positions	2.0

1	Lump sum appropriation	\$	129,200
2	Fund sources:		
3	State general fund	\$	129,200
4	Sec. 62. ARIZONA STATE BOARD OF NURSING		
5			<u>2014-15</u>
6	FTE positions		42.2
7	Lump sum appropriation	\$	4,270,800
8	Fund sources:		
9	Board of nursing fund	\$	4,270,800
10	Sec. 63. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND		
11	ASSISTED LIVING FACILITY MANAGERS		
12			<u>2014-15</u>
13	FTE positions		6.0
14	Lump sum appropriation	\$	420,200
15	Fund sources:		
16	Nursing care institution		
17	administrators' licensing and		
18	assisted living facility		
19	managers' certification fund	\$	420,200
20	Sec. 64. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
21			<u>2014-15</u>
22	FTE positions		1.5
23	Lump sum appropriation	\$	184,100
24	Fund sources:		
25	Occupational therapy fund	\$	184,100
26	Sec. 65. STATE BOARD OF DISPENSING OPTICIANS		
27			<u>2014-15</u>
28	FTE positions		1.0
29	Lump sum appropriation	\$	135,800
30	Fund sources:		
31	Board of dispensing opticians fund	\$	135,800
32	Sec. 66. STATE BOARD OF OPTOMETRY		
33			<u>2014-15</u>
34	FTE positions		2.0
35	Lump sum appropriation	\$	206,000
36	Fund sources:		
37	Board of optometry fund	\$	206,000
38	Sec. 67. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
39			<u>2014-15</u>
40	FTE positions		6.7
41	Lump sum appropriation	\$	801,500
42	Fund sources:		
43	Board of osteopathic examiners fund	\$	801,500
44	Sec. 68. ARIZONA STATE PARKS BOARD		
45			<u>2014-15</u>
46	FTE positions		163.0

1	Operating lump sum appropriation	\$ 10,592,400
2	Kartchner caverns state park	<u>2,228,700</u>
3	Total appropriation - Arizona state parks	
4	board	\$ 12,821,100
5	Fund sources:	
6	State parks revenue fund	\$ 12,821,100
7	All other operating expenditures include \$26,000 from the state parks	
8	revenue fund for Fool Hollow state park revenue sharing. If receipts to Fool	
9	Hollow exceed \$260,000 in fiscal year 2014-2015, an additional ten per cent	
10	of this increase of Fool Hollow receipts is appropriated from the state parks	
11	revenue fund to meet the revenue sharing agreement with the city of Show Low	
12	and the United States forest service.	
13	Sec. 69. STATE PERSONNEL BOARD	
14		<u>2014-15</u>
15	FTE positions	3.0
16	Lump sum appropriation	\$ 374,900
17	Fund sources:	
18	Personnel division fund -	
19	personnel board subaccount	\$ 374,900
20	Sec. 70. OFFICE OF PEST MANAGEMENT	
21		<u>2014-15</u>
22	FTE positions	30.0
23	Lump sum appropriation	\$ 1,700,000
24	Fund sources:	
25	Pest management fund	\$ 1,700,000
26	Sec. 71. ARIZONA STATE BOARD OF PHARMACY	
27		<u>2014-15</u>
28	FTE positions	18.0
29	Operating lump sum appropriation	\$ 2,017,000
30	One-time funding leave payout	<u>36,300*</u>
31	Total appropriation - Arizona state board	
32	of pharmacy	\$ 2,053,300
33	Fund sources:	
34	Arizona state board of pharmacy	
35	fund	\$ 2,053,300
36	Sec. 72. BOARD OF PHYSICAL THERAPY	
37		<u>2014-15</u>
38	FTE positions	4.0
39	Lump sum appropriation	\$ 407,900
40	Fund sources:	
41	Board of physical therapy fund	\$ 407,900
42	Sec. 73. ARIZONA PIONEERS' HOME	
43		<u>2014-15</u>
44	FTE positions	106.3
45	Operating lump sum appropriation	\$ 6,059,400
46	Prescription drugs	<u>200,000</u>

1 Total appropriation - pioneers' home \$ 6,259,400
 2 Fund sources:
 3 State general fund \$ 1,602,800
 4 Miners' hospital fund 2,079,400
 5 State charitable fund 2,577,200
 6 Earnings on state lands and interest on the investment of the permanent
 7 land funds are appropriated for the Arizona pioneers' home and the state
 8 hospital for disabled miners in compliance with the enabling act and the
 9 Constitution of Arizona.

10 Sec. 74. STATE BOARD OF PODIATRY EXAMINERS

11 2014-15
 12 FTE positions 1.0
 13 Lump sum appropriation \$ 147,300
 14 Fund sources:
 15 Podiatry fund \$ 147,300

16 Sec. 75. COMMISSION FOR POSTSECONDARY EDUCATION

17 2014-15
 18 FTE positions 5.0
 19 Operating lump sum appropriation \$ 184,800
 20 Leveraging educational assistance
 21 partnership (LEAP) 2,319,500
 22 Arizona college and career guide 21,300
 23 Math and science teacher
 24 initiative 176,000
 25 Arizona minority educational
 26 policy analysis center 100,000
 27 Twelve plus partnership 130,500

28 Total appropriation - commission for
 29 postsecondary education \$ 2,932,100
 30 Fund sources:

31 State general fund \$ 1,396,800
 32 Postsecondary education fund 1,535,300

33 Each participating institution, public or private, in order to be
 34 eligible to receive state matching funds under the leveraging educational
 35 assistance partnership for grants to students, shall provide an amount of
 36 institutional matching funds that equals the amount of funds provided by the
 37 state to the institution for the leveraging educational assistance
 38 partnership. Administrative expenses incurred by the commission for
 39 postsecondary education must be paid from institutional matching funds and
 40 may not exceed twelve per cent of the funds in fiscal year 2014-2015.

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

1 The appropriations for the 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 2014-2015. The
 5 appropriations shall be adjusted as necessary to reflect actual final
 6 receipts credited to the postsecondary education fund.

7 Sec. 76. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

8			<u>2014-15</u>
9	FTE positions		4.0
10	Lump sum appropriation	\$	395,600
11	Fund sources:		
12	Board for private postsecondary		
13	education fund	\$	395,600

14 Sec. 77. STATE BOARD OF PSYCHOLOGIST EXAMINERS

15			<u>2014-15</u>
16	FTE positions		4.0
17	Lump sum appropriation	\$	409,800
18	Fund sources:		
19	Board of psychologist examiners		
20	fund	\$	409,800

21 Sec. 78. DEPARTMENT OF PUBLIC SAFETY

22			<u>2014-15</u>
23	FTE positions		1,907.7
24	Operating lump sum appropriation	\$	214,014,900
25	GIITEM		21,304,700
26	GIITEM subaccount		2,390,000
27	Motor vehicle fuel		3,935,500
28	Public safety equipment		<u>2,890,000</u>

29 Total appropriation - department of public

30	safety		\$244,535,100
31	Fund sources:		
32	State general fund	\$	89,321,400
33	Arizona highway user revenue fund		89,247,100
34	State highway fund		6,743,800
35	Arizona highway patrol fund		19,020,900
36	Automation operations fund		296,200
37	State aid to indigent defense fund		700,000
38	Criminal justice enhancement fund		2,872,500
39	Safety enforcement and transportation		
40	infrastructure fund		1,566,300
41	Crime laboratory assessment fund		871,100
42	Crime laboratory operations fund		14,719,800
43	Arizona deoxyribonucleic acid		
44	identification system fund		6,321,200
45	Arizona automated fingerprint		
46	identification system fund		2,909,700

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 revolving fund	1,233,700
7	Parity compensation fund	1,950,000
8	Public safety equipment fund	2,890,000
9	Concealed weapons permit fund	1,276,400

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

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

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

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

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

41 Sec. 79. ARIZONA DEPARTMENT OF RACING

42		<u>2014-15</u>
43	FTE positions	40.5
44	Operating lump sum appropriation	\$ 2,895,900
45	Arizona breeders' award	250,000
46	County fairs livestock and	

1	agricultural promotion	<u>1,779,500</u>
2	Total appropriation - department of	
3	racing	\$ 4,925,400
4	Fund sources:	
5	State general fund	\$ 2,029,500
6	Racing regulation fund	2,895,900
7	The amount appropriated to the county fairs livestock and agricultural	
8	promotion line item is for deposit in the county fairs livestock and	
9	agricultural promotion fund administered by the office of the governor.	
10	Sec. 80. RADIATION REGULATORY AGENCY	
11		<u>2014-15</u>
12	FTE positions	29.0
13	Lump sum appropriation	\$ 1,626,200
14	Fund sources:	
15	State general fund	\$ 773,300
16	State radiologic technologist	
17	certification fund	273,300
18	Radiation regulatory fee fund	579,600
19	Sec. 81. STATE REAL ESTATE DEPARTMENT	
20		<u>2014-15</u>
21	FTE positions	37.0
22	Lump sum appropriation	\$ 2,988,700
23	Fund sources:	
24	State general fund	\$ 2,988,700
25	Sec. 82. RESIDENTIAL UTILITY CONSUMER OFFICE	
26		<u>2014-15</u>
27	FTE positions	11.0
28	Operating lump sum appropriation	\$ 1,189,400
29	Professional witnesses	<u>145,000*</u>
30	Total appropriation - residential utility	
31	consumer office	\$ 1,334,400
32	Fund sources:	
33	Residential utility consumer	
34	office revolving fund	\$ 1,334,400
35	Sec. 83. BOARD OF RESPIRATORY CARE EXAMINERS	
36		<u>2014-15</u>
37	FTE positions	4.0
38	Lump sum appropriation	\$ 297,100
39	Fund sources:	
40	Board of respiratory care	
41	examiners fund	\$ 297,100
42	Sec. 84. ARIZONA STATE RETIREMENT SYSTEM	
43		<u>2014-15</u>
44	FTE positions	246.9
45	Operating lump sum appropriation	\$ 24,802,500
46	Automation upgrades	<u>4,484,500*</u>

1	Total appropriation - state		
2	retirement system	\$ 29,287,000	
3	Fund sources:		
4	Arizona state retirement system		
5	administration account	\$ 26,487,000	
6	Long-term disability trust fund		
7	administration account	2,800,000	
8	Sec. 85. DEPARTMENT OF REVENUE		
9		<u>2014-15</u>	
10	FTE positions	880.8	
11	Operating lump sum appropriation	\$ 64,809,500	
12	BRITS operational support	7,602,500	
13	Unclaimed property administration		
14	and audit	<u>1,218,500</u>	
15	Total appropriation - department of revenue	\$ 73,630,500	
16	Fund sources:		
17	State general fund	\$ 48,125,300	
18	DOR administrative fund	24,428,700	
19	Liability setoff revolving fund	397,200	
20	Tobacco tax and health care fund	679,300	
21	If the total dollar value of properties retained by unclaimed property		
22	contract auditors exceeds \$1,218,500, the excess amount is transferred from		
23	the state general fund to the DOR administrative fund and appropriated to the		
24	department for contract auditor fees.		
25	The department shall report the department's general fund revenue		
26	enforcement goals for fiscal year 2014-2015 to the joint legislative budget		
27	committee on or before September 30, 2014. The department shall provide an		
28	annual progress report to the joint legislative budget committee as to the		
29	effectiveness of the department's overall enforcement and collections program		
30	for fiscal year 2014-2015 on or before September 30, 2015. The reports must		
31	include a comparison of projected and actual general fund revenue enforcement		
32	collections for fiscal year 2014-2015.		
33	The operating lump sum appropriation includes \$100,000 to improve the		
34	department's analysis of tax data. Before spending these monies, the		
35	department shall submit an expenditure plan for review by the joint		
36	legislative budget committee.		
37	Sec. 86. SCHOOL FACILITIES BOARD		
38		<u>2014-15</u>	
39	FTE positions	17.0	
40	Operating lump sum appropriation	\$ 1,676,500	
41	New school facilities debt service	170,155,200	
42	Building renewal grants	16,667,900	
43	New school facilities	<u>858,200</u>	
44	Total appropriation - school facilities		
45	board	\$189,357,800	
46	Fund sources:		

1	State general fund	\$189,357,800
2	Pursuant to section 35-142.01, Arizona Revised Statutes, any	
3	reimbursement received by or allocated to the school facilities board under	
4	the federal qualified school construction bond program in fiscal year	
5	2014-2015 must be deposited in or revert to the state general fund.	
6	Sec. 87. DEPARTMENT OF STATE - SECRETARY OF STATE	
7		<u>2014-15</u>
8	FTE positions	141.1
9	Operating lump sum appropriation	\$ 10,596,500
10	Election services	4,431,600
11	Help America vote act	2,941,000
12	Library grants-in-aid	651,400*
13	Statewide radio reading service	
14	for the blind	<u>97,000</u>
15	Total appropriation - secretary of state	\$ 18,717,500
16	Fund sources:	
17	State general fund	\$ 15,035,500
18	Election systems improvement fund	2,941,000
19	Records services fund	741,000
20	The secretary of state shall report to the joint legislative budget	
21	committee and the governor's office of strategic planning and budgeting on or	
22	before December 31, 2014 the actual amount and purpose of expenditures from	
23	the election systems improvement fund in fiscal year 2013-2014 and the	
24	expected amount and purpose of expenditures from the fund for fiscal year	
25	2014-2015.	
26	Any transfer to or from the amount appropriated for the election	
27	services line item requires review by the joint legislative budget committee.	
28	The fiscal year 2014-2015 appropriation from the election systems	
29	improvement fund for HAVA is available for use pursuant to section 35-143.01,	
30	subsection C, Arizona Revised Statutes, and is exempt from the provisions of	
31	section 35-190, Arizona Revised Statutes, relating to lapsing of	
32	appropriations, until June 30, 2016.	
33	Included in the operating lump sum appropriation of \$10,596,500 for	
34	fiscal year 2014-2015 is \$5,000 for the purchase of mementos and items for	
35	visiting officials.	
36	Sec. 88. STATE BOARDS' OFFICE	
37		<u>2014-15</u>
38	FTE positions	3.0
39	Lump sum appropriation	\$ 231,000
40	Fund sources:	
41	Special services revolving fund	\$ 231,000

1	Sec. 89. STATE BOARD OF TAX APPEALS	
2		<u>2014-15</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 264,700
5	Fund sources:	
6	State general fund	\$ 264,700
7	Sec. 90. STATE BOARD OF TECHNICAL REGISTRATION	
8		<u>2014-15</u>
9	FTE positions	25.0
10	Lump sum appropriation	\$ 2,119,500
11	Fund sources:	
12	Technical registration fund	\$ 2,119,500
13	Sec. 91. OFFICE OF TOURISM	
14		<u>2014-15</u>
15	FTE positions	28.0
16	Tourism fund deposit	\$ 7,102,600
17	Arizona promotion	<u>2,000,000</u>
18	Total appropriation - office of	
19	tourism	\$ 9,102,600
20	Fund sources:	
21	State general fund	\$ 9,102,600
22	Sec. 92. DEPARTMENT OF TRANSPORTATION	
23		<u>2014-15</u>
24	FTE positions	4,548.0
25	Operating lump sum appropriation	\$206,952,600
26	Attorney general legal services	2,895,600
27	Highway maintenance	136,178,400
28	Vehicles and heavy equipment	18,501,500
29	Fraud investigation	773,300
30	New third party funding	<u>971,100</u>
31	Total appropriation - department of	
32	transportation	\$366,272,500
33	Fund sources:	
34	State general fund	\$ 50,400
35	Air quality fund	74,500
36	Driving under the influence	
37	abatement fund	153,800
38	Arizona highway user revenue fund	651,500
39	Motor vehicle liability	
40	insurance enforcement fund	1,086,700
41	Safety enforcement and	
42	transportation infrastructure	
43	fund	1,880,500

1	State aviation fund	1,624,400
2	State highway fund	340,785,100
3	Transportation department	
4	equipment fund	18,501,500
5	Vehicle inspection and title	
6	enforcement fund	1,464,100

7 It is the intent of the legislature that the department not include any
 8 administrative overhead expenditures in duplicate driver license fees charged
 9 to the public.

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

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

21 Of the \$366,272,500 appropriation to the department of transportation,
 22 the department of transportation shall pay \$16,773,800 in fiscal year
 23 2014-2015 from all funds to the department of administration for its risk
 24 management payment.

25 Sec. 93. STATE TREASURER

26		<u>2014-15</u>
27	FTE positions	30.4
28	Operating lump sum appropriation	\$ 2,820,900
29	Justice of the peace salaries	1,205,100
30	Law enforcement/boating safety	
31	fund grants	<u>2,183,800</u>
32	Total appropriation - state treasurer	\$ 6,209,800
33	Fund sources:	
34	State general fund	\$ 1,205,100
35	Law enforcement and boating	
36	safety fund	2,183,800
37	State treasurer empowerment	
38	scholarship account fund	40,000
39	State treasurer's operating fund	2,583,400
40	State treasurer's management fund	197,500

41 Sec. 94. ARIZONA BOARD OF REGENTS

42		<u>2014-15</u>
43	FTE positions	25.9
44	Operating lump sum appropriation	\$ 2,349,600
45	Arizona teachers incentive program	90,000
46	Arizona transfer articulation	

1	support system	213,700
2	Student financial assistance	10,041,200
3	Western interstate commission	
4	office	131,000
5	Performance funding	5,000,000
6	WICHE student subsidies	<u>4,100,000</u>
7	Total appropriation - Arizona board of	
8	regents	\$ 21,925,500
9	Fund sources:	
10	State general fund	\$ 21,925,500

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

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

28 It is further the intent of the legislature that the Arizona board of
 29 regents use the adopted performance funding model in developing and
 30 submitting future budget requests for the universities under its
 31 jurisdiction, and that the legislature use the performance funding model in
 32 the development of future fiscal year appropriations for the universities
 33 under the jurisdiction of the Arizona board of regents.

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

41 Sec. 95. ARIZONA STATE UNIVERSITY - TEMPE AND DOWNTOWN PHOENIX CAMPUSES

42		<u>2014-15</u>
43	FTE positions	6,142.9
44	Operating lump sum appropriation	\$503,798,100
45	Biomedical informatics	1,955,200
46	Parity funding	38,843,100

1	Downtown Phoenix campus	<u>110,783,800</u>
2	Total appropriation - Arizona state	
3	university - Tempe and downtown	
4	Phoenix campuses	\$655,380,200
5	Fund sources:	
6	State general fund	\$202,311,500
7	University collections fund	453,068,700

8 It is the intent of the legislature that the general fund base funding
9 for Arizona state university - Tempe and downtown Phoenix campuses is
10 \$277,071,900. This appropriation includes a deferral of \$74,760,400 from
11 fiscal year 2014-2015 to fiscal year 2015-2016. This deferral shall be paid
12 as required in this act.

13 The state general fund appropriations may not be used for alumni
14 association funding.

15 The increased state general fund appropriations may not be used for
16 medical marijuana research.

17 The appropriated monies may not be used for scholarships or any student
18 newspaper.

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

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

33 It is the intent of the legislature to appropriate funding to Arizona
34 state university and northern Arizona university with the goal of achieving
35 per student funding parity between the universities under the jurisdiction of
36 the Arizona board of regents no later than the beginning of fiscal year
37 2016-2017.

38 The sum of \$2,000,000 in fiscal year 2015-2016 and the sum of
39 \$2,000,000 in fiscal year 2016-2017 are appropriated from the state general
40 fund to Arizona state university - Tempe and downtown Phoenix campuses for
41 operating expenditures.

42 Sec. 96. ARIZONA STATE UNIVERSITY - EAST CAMPUS

43		<u>2014-15</u>
44	FTE positions	425.6
45	Operating lump sum appropriation	\$ 46,230,900
46	Parity funding	6,647,000

1	TRIF lease-purchase payment	<u>2,000,000</u>
2	Total appropriation - Arizona state	
3	university - East campus	\$ 54,877,900
4	Fund sources:	
5	State general fund	\$ 19,186,200
6	University collections fund	33,691,700
7	Technology and research initiative	
8	fund	2,000,000

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

13 The state general fund appropriations may not be used for alumni
 14 association funding.

15 The increased state general fund appropriations may not be used for
 16 medical marijuana research.

17 The appropriated monies may not be used for scholarships or any student
 18 newspaper.

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

30 It is the intent of the legislature to appropriate funding to Arizona
 31 state university and northern Arizona university with the goal of achieving
 32 per student funding parity between the universities under the jurisdiction of
 33 the Arizona board of regents no later than the beginning of fiscal year
 34 2016-2017.

35 Sec. 97. ARIZONA STATE UNIVERSITY - WEST CAMPUS

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

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

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

8 The increased state general fund appropriations may not be used for
9 medical marijuana research.

10 The appropriated monies may not be used for scholarships or any student
11 newspaper.

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

23 Sec. 98. NORTHERN ARIZONA UNIVERSITY

24		<u>2014-15</u>
25	FTE positions	2,057.2
26	Operating lump sum appropriation	\$182,289,000
27	Parity funding	12,549,900
28	NAU - Yuma	2,446,500
29	Teacher training	<u>2,290,600</u>
30	Total appropriation - Northern Arizona	
31	university	\$199,576,000
32	Fund sources:	
33	State general fund	\$ 79,294,900
34	University collections fund	120,281,100

35 It is the intent of the legislature that the general fund base funding
36 for northern Arizona university is \$109,789,700. This appropriation includes
37 a deferral of \$30,494,800 from fiscal year 2014-2015 to fiscal year
38 2015-2016. This deferral shall be paid as required in this act.

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

41 The increased state general fund appropriations may not be used for
42 medical marijuana research.

43 The appropriated monies may not be used for scholarships or any student
44 newspaper.

45 The appropriated amount for the teacher training line item must be
46 distributed to the Arizona K-12 center for program implementation and mentor

1 training for the Arizona mentor teacher program prescribed by the state board
 2 of education.

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

14 It is the intent of the legislature to appropriate funding to Arizona
 15 state university and northern Arizona university with the goal of achieving
 16 per student funding parity between the universities under the jurisdiction of
 17 the Arizona board of regents no later than the beginning of fiscal year
 18 2016-2017.

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

22 Sec. 99. UNIVERSITY OF ARIZONA

	<u>2014-15</u>
24 <u>Main campus</u>	
25 FTE positions	5,393.0
26 Operating lump sum appropriation	\$348,443,900
27 Agriculture	37,189,100
28 Arizona cooperative extension	16,025,900
29 Freedom center	500,000
30 Sierra Vista campus	<u>6,943,700</u>
31 Total - Main campus	\$409,102,600
32 Fund sources:	
33 State general fund	\$137,594,900
34 University collections fund	271,507,700
35 <u>Health sciences center</u>	
36 FTE positions	1,054.1
37 Operating lump sum appropriation	\$ 53,376,900
38 Clinical rural rotation	353,400
39 Clinical teaching support	8,587,000
40 Liver research institute	430,100
41 Phoenix medical campus	29,344,300
42 Telemedicine network	<u>1,833,900</u>
43 Total - health sciences center	\$ 93,925,600
44 Fund sources:	
45 State general fund	\$ 52,808,600
46 University collections fund	41,117,000

1	Total appropriation - university of	
2	Arizona	<u>\$503,028,200</u>
3	Fund sources:	
4	State general fund	\$190,403,500
5	University collections fund	312,624,700

6 It is the intent of the legislature that the general fund base funding
7 for university of Arizona - main campus is \$199,748,000. This appropriation
8 includes a deferral of \$62,153,100 from fiscal year 2014-2015 to fiscal year
9 2015-2016. This deferral shall be paid as required in this act.

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

15 The state general fund appropriations may not be used for alumni
16 association funding.

17 The increased state general fund appropriations may not be used for
18 medical marijuana research.

19 The appropriated monies may not be used for scholarships or any student
20 newspaper.

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

32 The sum of \$2,000,000 in fiscal year 2015-2016 and the sum of
33 \$2,000,000 in fiscal year 2016-2017 are appropriated from the state general
34 fund to university of Arizona - main campus for operating expenditures.

35 Sec. 100. DEPARTMENT OF VETERANS' SERVICES

36		<u>2014-15</u>
37	FTE positions	500.3
38	Operating lump sum appropriation	\$ 3,218,900
39	Arizona state veterans' homes	31,086,600
40	Southern Arizona cemetery	275,600
41	Veterans' benefit counseling	<u>2,848,100</u>
42	Total appropriation - department of	
43	veterans' services	\$ 37,429,200
44	Fund sources:	
45	State general fund	\$ 5,436,300
46	State home for veterans' trust	

1	fund	31,086,600
2	State veterans' conservatorship	
3	fund	906,300
4	Sec. 101. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD	
5		<u>2014-15</u>
6	FTE positions	6.0
7	Lump sum appropriation	\$ 577,100
8	Fund sources:	
9	Veterinary medical examining	
10	board fund	\$ 577,100
11	Sec. 102. DEPARTMENT OF WATER RESOURCES	
12		<u>2014-15</u>
13	FTE positions	96.0
14	Operating lump sum appropriation	\$ 8,499,100
15	Adjudication support	1,256,700
16	Assured and adequate water supply	
17	administration	1,989,500
18	Rural water studies	1,167,700
19	Conservation and drought program	410,000
20	Automated groundwater monitoring	410,200
21	Lower Colorado river	
22	litigation expenses	<u>500,000*</u>
23	Total appropriation - department of water	
24	resources	\$ 14,233,200
25	Fund sources:	
26	State general fund	\$ 13,326,400
27	Water resources fund	640,400
28	Assured and adequate water	
29	supply administration fund	266,400

30 Monies in the assured and adequate water supply administration line
 31 item may be used only for the exclusive purposes prescribed in sections
 32 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department
 33 of water resources may not transfer any monies into or out of the assured and
 34 adequate water supply administration line item.

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

40 Monies in the adjudication support line item may be used only for the
 41 exclusive purposes prescribed in section 45-256 and section 45-257,
 42 subsection B, paragraph 4, Arizona Revised Statutes. The department of water
 43 resources may not transfer any monies into or out of the adjudication support
 44 line item.

1 The department of water resources may not transfer any monies from the
2 lower Colorado river litigation expenses line item without the prior review
3 by the joint legislative budget committee.

4 Sec. 103. DEPARTMENT OF WEIGHTS AND MEASURES

	<u>2014-15</u>
5	
6 FTE positions	38.4
7 General services	\$ 1,805,300
8 Vapor recovery	653,200
9 Oxygenated fuel	<u>789,700</u>
10 Total appropriation - department	
11 of weights and measures	\$ 3,248,200
12 Fund sources:	
13 State general fund	\$ 1,475,300
14 Air quality fund	1,442,900
15 Motor vehicle liability insurance	
16 enforcement fund	330,000

17 Sec. 104. Fiscal year 1998-1999 appropriations; revertments

18 Of the \$450,000 appropriated in fiscal year 1998-1999 from the
19 personnel division fund established pursuant to section 41-750, Arizona
20 Revised Statutes, to the department of administration by Laws 1997, chapter
21 288, section 14, \$273,000 reverts to the state general fund on the effective
22 date of this act.

23 Fiscal Year 2013-2014 Appropriation Adjustments

24 Sec. 105. Department of administration; risk management
25 revolving fund; supplemental appropriation; fiscal
26 year 2013-2014

27 A. In addition to any other appropriations made in fiscal year
28 2013-2014, the sum of \$10,742,000 from the risk management revolving fund
29 established by section 41-622, Arizona Revised Statutes, is appropriated to
30 the department of administration in fiscal year 2013-2014 for the following
31 purposes:

- 32 1. To reimburse the federal government for disallowed costs relating
33 to attorney general legal services.
- 34 2. To reimburse the federal government for disallowed costs relating
35 to the statewide information technology charges.
- 36 3. To reimburse the federal government for fund transfers in fiscal
37 years 2011-2012 and 2012-2013.

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

45 C. On or before November 1, 2014, the department of administration
46 shall submit a plan to reduce the level of federal reimbursement regarding

1 excess balances from funds other than the special employee health insurance
2 trust fund established by section 38-654, Arizona Revised Statutes, for
3 review by the joint legislative budget committee.

4 Sec. 106. Arizona health care cost containment system;
5 appropriation reduction; fiscal year 2013-2014

6 In addition to any other appropriation reductions made in fiscal year
7 2013-2014 and notwithstanding any other law, the appropriation to the Arizona
8 health care cost containment system is reduced by \$73,439,600 from the state
9 general fund in fiscal year 2013-2014.

10 Sec. 107. Arizona health care cost containment system;
11 supplemental appropriation; fiscal year 2013-2014

12 A. The Arizona health care cost containment system administration may
13 transfer up to \$12,984,900 from state general fund appropriations received in
14 fiscal year 2013-2014 to the department of health services for expenditures
15 associated with title XIX behavioral health services.

16 B. Before making any transfer pursuant to subsection A of this
17 section, the Arizona health care cost containment system administration shall
18 submit the proposed transfer for review by the joint legislative budget
19 committee.

20 C. On or before November 1, 2014, the directors of the joint
21 legislative budget committee and the governor's office of strategic planning
22 and budgeting shall jointly submit a report to the governor and the joint
23 legislative budget committee regarding the feasibility of adopting a common
24 reporting format for the current financial status of the Arizona health care
25 cost containment system and the department of health services.

26 Sec. 108. Board of athletic training; supplemental
27 appropriation; fiscal year 2013-2014

28 In addition to any other appropriations made in fiscal year 2013-2014,
29 the sum of \$13,000 is appropriated from the athletic training fund
30 established by section 32-4105, Arizona Revised Statutes, in fiscal year
31 2013-2014 to the board of athletic training for employee-related
32 expenditures.

33 Sec. 109. Attorney general-department of law; supplemental
34 appropriation; fiscal year 2013-2014

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

40 Sec. 110. Department of education; supplemental appropriation;
41 fiscal year 2013-2014

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

45 Sec. 111. Arizona exposition and state fair board; supplemental
46 appropriation; fiscal year 2013-2014

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

6 Sec. 112. Department of health services; supplemental
7 appropriation; fiscal year 2013-2014

8 In addition to any other appropriations made in fiscal year 2013-2014
9 and notwithstanding any other law, the appropriation to the department of
10 health services is increased by \$17,638,500 from the state general fund and
11 \$149,800,800 from federal title XIX expenditure authority in fiscal year
12 2013-2014.

13 Sec. 113. State land department; supplemental appropriation;
14 fiscal year 2013-2014

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

18 Sec. 114. Naturopathic physicians medical board; supplemental
19 appropriation; fiscal year 2013-2014

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

25 Sec. 115. State board of nursing; supplemental appropriation;
26 fiscal year 2013-2014; appropriation; fiscal year
27 2014-2015; report

28 A. In addition to any other appropriations made in fiscal year
29 2013-2014, the sum of \$150,000 is appropriated from the state general fund to
30 the state board of nursing in fiscal year 2013-2014 for certified nursing
31 assistant program costs.

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

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

40 Sec. 116. School facilities board; supplemental appropriation;
41 reduction; fiscal year 2013-2014

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

1 a county with a population of more than thirty thousand persons and less than
2 forty thousand persons, according to the 2010 United States decennial census,
3 for maintenance of essential county services.

4 ~~Sec. 122. Department of administration; counties; exemption for~~
5 ~~electricity used in manufacturing or smelting~~
6 ~~operations; appropriation; fiscal year 2014-2015~~

7 ~~The sum of \$1,300,000 is appropriated from the state general fund in~~
8 ~~fiscal year 2014-2015 to the department of administration for distribution to~~
9 ~~counties to backfill revenue loss resulting from tax exemptions and~~
10 ~~exclusions enacted in the fifty first legislature, second regular session,~~
11 ~~relating to electricity used in manufacturing or smelting operations. Before~~
12 ~~any distribution of this amount, the department of administration shall~~
13 ~~submit an expenditure plan for review by the joint legislative budget~~
14 ~~committee.~~

15 Sec. 123. Automation projects fund; fiscal year 2014-2015;
16 appropriations

17 A. The following amounts including 75.0 FTE positions are appropriated
18 to the department of administration from the automation projects fund
19 established by section 41-714, Arizona Revised Statutes, in fiscal year
20 2014-2015 for the following automation and information technology projects:

- 21 1. \$3,125,000 for enhancing statewide data security.
- 22 2. \$500,000 for enhancing enterprise architecture.
- 23 3. \$2,150,000 for project management of statewide automation and
24 information technology projects.
- 25 4. \$325,000 for projects related to e-government.
- 26 5. \$2,900,000 for improving and maintaining the department of
27 administration state data center.

28 B. The sum of \$1,700,000 is appropriated to the department of
29 administration from the automation projects fund established by section
30 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 to increase the
31 accuracy and timeliness of reporting income tax credits and to determine the
32 impact of the reduction in long-term capital gains subject to income tax, as
33 required by Laws 2012, chapter 343.

34 C. The sum of \$8,000,000 is appropriated to the department of
35 administration from the automation projects fund established by section
36 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing
37 upgrades to the adult information management system operated by the state
38 department of corrections.

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

43 E. The following amounts are appropriated to the department of
44 administration from the automation projects fund established by section
45 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for the following
46 automation and information technology projects:

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

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

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

26 F. The sum of \$1,000,000 is appropriated to the department of
27 administration from the automation projects fund established by section
28 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing a
29 tobacco tax processing and revenue accounting system at the department of
30 revenue.

31 G. The sum of \$5,000,000 is appropriated to the department of
32 administration from the automation projects fund established by section
33 41-714, Arizona Revised Statutes, in fiscal year 2014-2015 for implementing
34 upgrades to the children's information library and data source operated by
35 the department of economic security.

36 H. In addition to the initial review of expenditures from the
37 automation projects fund by the joint legislative budget committee, pursuant
38 to section 41-714, Arizona Revised Statutes, monies appropriated for projects
39 at each state agency from the automation projects fund established by section
40 41-714, Arizona Revised Statutes, may not be used for projects at any other
41 state agency without prior review by the joint legislative budget committee.

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

1 J. Any remaining balances on June 30, 2014 in the automation projects
2 fund established by section 41-714, Arizona Revised Statutes, from monies
3 appropriated in fiscal year 2013-2014 are appropriated to the department of
4 administration in fiscal year 2014-2015 for the same purposes specified in
5 fiscal year 2013-2014. The department of administration shall report any
6 fiscal year 2014-2015 expenditure of remaining balances from fiscal year
7 2013-2014 in the automation projects fund in the department's quarterly
8 report to the joint legislative budget committee.

9 K. The funding for the department of environmental quality automation
10 project is contingent on the use of a contracted third-party consultant
11 to evaluate and assess the project's feasibility, estimated expenditures,
12 technology approach and scope throughout the life of the project. The
13 department of administration and the department of environmental quality
14 shall provide a recent report by the third-party consultant to the
15 information technology authorization committee and the joint legislative
16 budget committee before seeking review of the \$6,800,000 fiscal year
17 2014-2015 expenditure from the automation projects fund, as required by
18 section 41-714, Arizona Revised Statutes. Following the initial review of
19 fiscal year 2014-2015 expenditures, the department of environmental quality
20 shall provide ongoing reports from the third-party consultant to the joint
21 legislative budget committee on the progress of the project, as determined by
22 the joint legislative budget committee.

23 L. The funding for the state department of corrections automation
24 project is contingent on the use of a contracted independent third-party
25 consultant to evaluate and assess the project's feasibility, estimated
26 expenditures, technology approach and scope throughout the life of the
27 project. The department of administration and the state department of
28 corrections shall provide a recent report by the third-party consultant to
29 the information technology authorization committee and the joint legislative
30 budget committee before seeking review of the \$8,000,000 fiscal year
31 2014-2015 expenditure from the automation projects fund, as required by
32 section 41-714, Arizona Revised Statutes. Following the initial review of
33 fiscal year 2014-2015 expenditures, the state department of corrections shall
34 provide ongoing reports from the third-party consultant to the joint
35 legislative budget committee on the progress of the project, as determined by
36 the joint legislative budget committee.

37 M. The funding for the department of education's automation project is
38 contingent on the use of a contracted independent third-party consultant to
39 evaluate and assess the project's feasibility, estimated expenditures,
40 technology approach and scope throughout the life of the project. The
41 department of administration and the department of education shall provide a
42 recent report by the third-party consultant to the information technology
43 authorization committee and the joint legislative budget committee before
44 seeking review of the \$12,000,000 fiscal year 2014-2015 expenditure from the
45 automation projects fund, as required by section 41-714, Arizona Revised
46 Statutes. Following the initial review of fiscal year 2014-2015

1 expenditures, the department of education shall provide ongoing reports from
2 the third-party consultant to the joint legislative budget committee on the
3 progress of the project, as determined by the joint legislative budget
4 committee.

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

24 Sec. 124. Arizona commerce authority; allocation

25 In accordance with section 43-409, Arizona Revised Statutes,
26 \$31,500,000 of state general fund withholding tax revenue is allocated in
27 fiscal year 2014-2015 to the Arizona commerce authority, of which \$10,000,000
28 is credited to the Arizona commerce authority fund established by section
29 41-1506, Arizona Revised Statutes, and \$21,500,000 is credited to the Arizona
30 competes fund established by section 41-1545.01, Arizona Revised Statutes.

31 Sec. 125. Arizona commerce authority; appropriation

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

35 Sec. 126. Department of economic security; long-term care
36 assisted living; appropriation; fiscal year
37 2014-2015

38 The sum of \$300,000 is appropriated from the state general fund in
39 fiscal year 2014-2015 to the department of economic security for long-term
40 care assisted living. The department shall provide the services in a county
41 with a population of less than five hundred thousand persons according to the
42 2010 decennial census.

43 Sec. 127. Department of economic security; homeless capital
44 grant; appropriation; fiscal year 2014-2015

45 The sum of \$500,000 is appropriated from the state general fund in
46 fiscal year 2014-2015 to the department of economic security for distribution

1 as a homeless capital grant to a faith-based facility that provides services,
2 including substance abuse treatment, behavioral medicine treatment and job
3 training, to those facing hunger and homelessness in a city with a population
4 of more than one million persons according to the 2010 United States
5 decennial census.

6 Sec. 128. Appropriation; department of health services;
7 genomics-based medical research; audit; exemption

8 A. The sum of \$2,000,000 is appropriated from the health research fund
9 established by section 36-275, Arizona Revised Statutes, in fiscal years
10 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019 to the department of
11 health services for allocation to a nonprofit medical research institute
12 headquartered in this state that does all of the following:

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

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

17 3. Collaborates with universities, hospitals and health science
18 research centers and other public and private bioscience and related
19 industries in this state.

20 B. The recipient of the monies appropriated pursuant to subsection A
21 of this section shall commission an annual audit of the expenditure of these
22 monies and shall submit a copy of the audit to the department of health
23 services on or before February 1 of each year.

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

27 Sec. 129. Department of health services; middle and high school
28 prevention education program; appropriation;
29 exemption; fiscal year 2014-2015

30 A. The sum of \$300,000 is appropriated from the state general fund in
31 fiscal year 2014-2015 to the department of health services for a middle and
32 high school prevention education program. The department shall distribute
33 monies appropriated pursuant to this section on a competitive grant basis to
34 grant applicants who will implement a proactive prevention education program
35 in all middle and high schools in this state. The program must:

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

40 2. Incorporate an educational prevention component focusing on the
41 areas of:

42 (a) Substance abuse.

43 (b) Mental health.

44 (c) Violence.

45 (d) Other risky behaviors.

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

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

7 Sec. 130. Independent redistricting commission; appropriation;
8 fiscal year 2014-2015

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

12 Sec. 131. Administrative office of the courts; drug treatment;
13 family drug court programming; appropriations;
14 exemption; fiscal year 2014-2015

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

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

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

32 Sec. 132. Northern Arizona university; nonprofit medical
33 research foundation; biotechnology; appropriations;
34 report; fiscal years 2014-2015, 2015-2016,
35 2016-2017, 2017-2018 and 2018-2019

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

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

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

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

7 3. Performance measures, including:

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

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

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

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

15 Sec. 133. Appropriations; PSPRS; fiscal years 2014-2015 through
16 2018-2019; pension liability; city of Prescott

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

21 Sec. 134. Universities; appropriations; reduction; fiscal years
22 2014-2015, 2015-2016 and 2016-2017

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

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

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

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

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

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

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

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

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

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

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

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

41 Sec. 135. Appropriation; water supply development revolving
42 fund; exemption

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

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

4 Sec. 136. Appropriation; debt service payments; state buildings

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

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

15 Sec. 137. Phoenix convention center; debt service payment

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

20 Fund Balance Transfers

21 Sec. 138. Appropriation; fund balance transfers; fiscal year
22 2014-2015; automation projects fund

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

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

30 1. \$1,600,000 from the education learning and accountability fund
31 established by section 15-249.02, Arizona Revised Statutes.

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

37 3. \$9,057,300 from the automation operations fund established by
38 section 41-711, Arizona Revised Statutes. This amount includes \$2,900,000
39 for improving and maintaining the department of administration state data
40 center.

41 4. Notwithstanding section 41-1651, Arizona Revised Statutes,
42 \$5,500,000 from the prison construction and operations fund established by
43 section 41-1651, Arizona Revised Statutes.

44 5. Notwithstanding section 41-1641, Arizona Revised Statutes,
45 \$2,500,000 from the corrections fund established by section 41-1641, Arizona
46 Revised Statutes.

1 6. \$6,800,000 from the emissions inspection fund established by
2 section 49-544, Arizona Revised Statutes.

3 Sec. 139. Fund balance transfer; special employee health
4 insurance trust

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

9 Payment Deferrals

10 Sec. 140. Department of economic security; payment deferral;
11 appropriation; fiscal year 2015-2016

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

16 B. In addition to any other appropriations made in fiscal year
17 2015-2016, the sum of \$35,000,000 is appropriated from the state general fund
18 in fiscal year 2015-2016 to the department of economic security for the
19 purpose of paying bills for services provided in May and June 2015.

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

22 D. Of the amounts deferred in subsection A of this section, May
23 payments to providers of developmentally disabled services may not be
24 deferred.

25 Sec. 141. Reduction in school district state aid apportionment
26 in fiscal year 2014-2015; appropriations in fiscal
27 year 2015-2016

28 A. In addition to any other appropriation reductions made in fiscal
29 year 2014-2015, notwithstanding any other law, the state board of education
30 shall defer until after July 1, 2015 but no later than July 12, 2015
31 \$930,727,700 of the basic state aid and additional state aid payment that
32 otherwise would be apportioned to school districts during fiscal year
33 2014-2015 pursuant to section 15-973, Arizona Revised Statutes. The funding
34 deferral required by this subsection does not apply to charter schools or to
35 school districts with a student count of less than six hundred pupils, and
36 the state board of education shall make the deferral by reducing the
37 apportionment of state aid for each month in the fiscal year by the same
38 amount.

39 B. In addition to any other appropriations made in fiscal year
40 2015-2016, the sum of \$930,727,700 is appropriated from the state general
41 fund in fiscal year 2015-2016 to the state board of education and the
42 superintendent of public instruction for basic state aid and additional state
43 aid entitlement for fiscal year 2015-2016. This appropriation shall be
44 disbursed after July 1, 2015 but no later than July 12, 2015 to the several
45 counties for the school districts in each county in amounts equal to the
46 reductions in apportionment of basic state aid and additional state aid that

1 are required pursuant to subsection A of this section for fiscal year
2 2014-2015.

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

6 Sec. 142. Arizona board of regents; deferral; support and
7 maintenance; appropriation in fiscal year 2015-2016

8 A. In addition to any other appropriation reductions made in fiscal
9 year 2014-2015, the Arizona board of regents shall defer until after July 1,
10 2015 the sum of \$200,000,000, which is allocated to the universities in the
11 individual campus appropriations.

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

19 Sec. 143. Appropriation; department of health services;
20 exemption

21 The appropriation of \$3,850,000 made to the department of health
22 services by Laws 2013, first special session, chapter 1, section 44 for
23 one-time electronic medical records start-up is exempt from the provisions of
24 section 35-190, Arizona Revised Statutes, relating to lapsing of
25 appropriations until June 30, 2015.

26 Statewide Adjustments

27 Sec. 144. Appropriation; operating adjustments
28 2014-2015

29	State lease-purchase and rental rate	
30	adjustments	\$ (370,300)
31	Fund sources:	
32	State general fund	\$ (192,500)
33	Other appropriated funds	\$ (177,800)
34	Annual retirement contribution	
35	rate adjustments	\$ 1,440,000
36	Fund sources:	
37	State general fund	\$ 409,100
38	Other appropriated funds	\$ 1,030,900

39 The other appropriated funds may be allocated from any funds listed in
40 this act.

1 State lease-purchase and rental rate adjustments

2 The amount appropriated for state lease-purchase adjustments is for
3 fiscal year 2014-2015 adjustments in agency or department lease-purchase and
4 rental rate charges in agencies. These adjustments reflect the rentable
5 square foot rental rate for state-owned space as prescribed in the fiscal
6 year 2014-2015 budget procedures budget reconciliation bill. The joint
7 legislative budget committee staff shall determine and the department of
8 administration shall allocate to each agency or department an amount for the
9 contribution adjustment. These adjustments may include reallocation of state
10 general fund appropriations between state agency units. The joint
11 legislative budget committee staff shall also determine and the department of
12 administration shall allocate adjustments, as necessary, in expenditure
13 authority to allow implementation of state lease-purchase and rental rate
14 charge adjustments.

15 Annual retirement contribution rate adjustments

16 The amount appropriated for annual contribution rate adjustments is for
17 fiscal year 2014-2015 adjustments in agency or department contributions rates
18 due to the annual contribution rate change process. The joint legislative
19 budget committee staff shall determine and the department of administration
20 shall allocate to each agency or department an amount for the annual
21 contribution rate adjustment. The joint legislative budget committee staff
22 shall also determine and the department of administration shall allocate
23 adjustments, as necessary, in expenditure authority to allow the
24 implementation of retirement rate adjustments. The amount does not include
25 funding for adjustments in the state department of corrections and the
26 department of public safety as additional funding for the adjustments in
27 those agencies are incorporated in the individual appropriations for those
28 agencies in this act.

29 Sec. 145. Department of law; general agency counsel charges:
30 fiscal year 2014-2015

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

34	1. Department of administration	\$127,700
35	2. Office of administrative hearings	\$ 3,000
36	3. Arizona arts commission	\$ 3,100
37	4. Automobile theft authority	\$ 1,400
38	5. Citizens clean elections commission	\$ 2,700
39	6. State department of corrections	\$ 2,000
40	7. Arizona criminal justice commission	\$ 8,700
41	8. Arizona state schools for the deaf 42 and the blind	\$100,200
43	9. Commission for the deaf and hard of hearing	\$ 4,100
44	10. Arizona early childhood development and 45 health board	\$ 47,100
46	11. Department of education	\$132,000

1	12.	Department of emergency and military affairs	\$ 30,000
2	13.	Department of environmental quality	\$135,600
3	14.	Arizona exposition and state fair board	\$ 20,900
4	15.	Department of financial institutions	\$ 1,900
5	16.	Department of fire, building and life safety	\$ 2,500
6	17.	State forester	\$ 12,100
7	18.	Department of gaming	\$ 35,000
8	19.	Arizona geological survey	\$ 6,800
9	20.	Department of health services	\$170,000
10	21.	Arizona historical society	\$ 700
11	22.	Arizona department of housing	\$ 18,100
12	23.	Department of insurance	\$ 10,500
13	24.	Department of juvenile corrections	\$ 9,400
14	25.	State land department	\$ 2,100
15	26.	Department of liquor licenses and control	\$ 11,400
16	27.	Arizona state lottery commission	\$ 24,800
17	28.	Arizona state parks board	\$ 45,800
18	29.	State personnel board	\$ 600
19	30.	Arizona pioneers' home	\$ 12,100
20	31.	Commission for postsecondary education	\$ 1,800
21	32.	Department of public safety	\$677,400
22	33.	Arizona department of racing	\$ 2,300
23	34.	Radiation regulatory agency	\$ 3,800
24	35.	Arizona state retirement system	\$ 69,100
25	36.	Department of revenue	\$ 4,900
26	37.	Department of state - secretary of state	\$ 1,800
27	38.	State treasurer	\$ 9,200
28	39.	Department of veterans' services	\$ 52,700
29	40.	Department of weights and measures	\$ 4,200

30 Other Provisions

31 Sec. 146. Legislative intent: expenditure reporting

32 It is the intent of the legislature that all departments, agencies and
 33 budget units receiving appropriations under the terms of this act continue to
 34 report actual, estimated and requested expenditures by budget programs and
 35 budget classes in a format that is similar to the budget programs and budget
 36 classes used for budgetary purposes in prior years. A different format may
 37 be used if deemed necessary to implement section 35-113, Arizona Revised
 38 Statutes, agreed to by the director of the joint legislative budget committee
 39 and incorporated into the budget preparation instructions adopted by the
 40 governor's office of strategic planning and budgeting pursuant to section
 41 35-112, Arizona Revised Statutes.

1 Sec. 147. FTE positions; reporting; definition

2 Full-time equivalent (FTE) positions contained in this act are subject
3 to appropriation. The director of the department of administration shall
4 account for the use of all appropriated and nonappropriated FTE positions,
5 excluding those in the department of economic security, the universities and
6 the department of environmental quality. The director of the department of
7 administration shall submit the fiscal year 2014-2015 report on or before
8 October 1, 2015 to the director of the joint legislative budget committee.
9 The reports must compare the level of appropriated FTE usage in each fiscal
10 year to the appropriated level. For the purposes of this section, "FTE
11 positions" means the total number of hours worked, including both regular and
12 overtime hours as well as hours taken as leave, divided by the number of
13 hours in a work year. The director of the department of administration shall
14 notify the director of each budget unit if the budget unit's appropriated FTE
15 usage has exceeded its number of appropriated FTE positions. The
16 above-excluded agencies shall each report to the director of the joint
17 legislative budget committee in a manner comparable to the department of
18 administration reporting.

19 Sec. 148. Filled FTE positions; reporting

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

24 Sec. 149. Transfer of spending authority

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

29 Sec. 150. Interim reporting requirements

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

33 B. State general fund revenue for fiscal year 2014-2015, including a
34 beginning balance of \$601,000,000 and other one-time revenues, is forecasted
35 to be \$9,363,000,000.

36 C. State general fund revenue for fiscal year 2015-2016, including a
37 beginning balance of \$135,000,000 and other one-time revenues, is forecasted
38 to be \$9,196,000,000. State general fund expenditures for fiscal year
39 2015-2016 are forecasted to be \$9,417,000,000.

40 D. State general fund revenue for fiscal year 2016-2017, including
41 one-time revenues, is forecasted to be \$9,244,000,000. State general fund
42 expenditures for fiscal year 2016-2017 are forecasted to be \$9,721,000,000.

1 E. The executive branch shall provide to the joint legislative budget
2 committee a preliminary estimate of the fiscal year 2013-2014 state general
3 fund ending balance on or before September 15, 2014. The estimate must
4 include projections of total revenues, total expenditures and ending balance.
5 The department of administration shall continue to provide the final report
6 for the fiscal year in its annual financial report pursuant to section
7 35-131, Arizona Revised Statutes.

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

17 Sec. 151. Definition

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

21 Sec. 152. Definition

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

25 Sec. 153. Definition

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

APPROVED BY THE GOVERNOR APRIL 11, 2014.

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