CHAPTER 263

HOUSE BILL 2747

AN ACT

AMENDING LAWS 2014, SECOND SPECIAL SESSION, CHAPTER 2, SECTION 9; AMENDING LAWS 2017, CHAPTER 305, SECTION 115, AS AMENDED BY LAWS 2018, CHAPTER 276, SECTION 2; AMENDING LAWS 2018, CHAPTER 276, SECTIONS 118 AND 141; APPROPRIATING MONIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

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

Sec. 2. Laws 2014, second special session, chapter 2, section 9 is amended to read:

Sec. 9. Appropriation; auditor general; independent consultant; performance evaluation; general operating expenses; exemption

A. The sum of $250,000 is appropriated from the state general fund in fiscal year 2014-2015 to the auditor general to engage an independent consultant with expertise in child welfare system planning and operations to examine the current child protective services system and consider best practices to improve the delivery of services in this state and to provide consultation on the effective establishment of the new department of child safety with a focus on implementation challenges. THE AUDITOR GENERAL MAY USE THE BALANCE OF $31,200 IN FISCAL YEAR 2019-2020 FOR GENERAL OPERATING EXPENSES.

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

Sec. 3. Laws 2017, chapter 305, section 115, as amended by Laws 2018, chapter 276, section 2, is amended to read:

Sec. 115. Automation projects fund; appropriations; fiscal year 2017-2018; quarterly report

Appropriations

A. The following amounts and 15.0 FTE positions are appropriated from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2017-2018 to the department of administration for the following statewide automation and information technology projects:

1. $1,500,000 for project management of statewide automation and information technology projects.
2. $500,000 for a feasibility study to replace the human resource information system. The department may use the monies to upgrade the current system.
3. $3,405,100 for improving and maintaining network and security infrastructure.
4. $7,303,500 for enhancing statewide data security.
5. $500,000 for projects related to e-government.
B. The following amounts are appropriated from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2017-2018 to the department of administration for the following automation and information technology projects:

1. $595,500 to implement a statewide e-licensing system.
2. $3,200,000 to implement e-licensing projects at the department of environmental quality.
3. $1,017,400 to implement upgrades to the claims processing system operated by the industrial commission of Arizona.
4. $3,497,400 to implement updates to the information technology system operated by the Arizona state lottery commission.
5. $2,500,000 to update the microwave backbone statewide communication system at the department of public safety.
6. $2,343,000 to implement updates to the criminal justice information system operated by the department of public safety.
7. $7,300,000 for implementing, upgrading and maintaining the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes.
8. $11,000,000 for implementing upgrades to the information technology infrastructure at the department of revenue.
9. $11,100,000 for implementing upgrades to the children's information library and data source system at the department of child safety.

C. Monies appropriated for projects at each state agency from the automation projects fund established by section 41-714, Arizona Revised Statutes, may not be used for projects at any other state agency. In addition to the initial review of expenditures from the automation projects fund by the joint legislative budget committee, pursuant to section 41-714, Arizona Revised Statutes, a state agency may not reallocate monies between projects within the agency without review by the joint legislative budget committee.

 Quarterly Report

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

 Nonlapsing

E. The amounts appropriated pursuant to this section from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2017-2018 are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing appropriations, until June 30, 2019.

F. For the funding for projects at the department of administration, excluding the e-procurement system replacement project,
the department of child safety, the department of economic security and
the department of education, any remaining balances on June 30, 2017 in
the automation projects fund established by section 41-714, Arizona
Revised Statutes, from monies appropriated in fiscal year 2016-2017 are
appropriated to the department of administration in fiscal year 2017-2018
for the same purposes specified in fiscal year 2016-2017. The department
of administration shall report in its quarterly report to the joint
legislative budget committee any fiscal year 2017-2018 expenditure of
remaining balances from fiscal year 2016-2017 from the automation projects
fund.

G. For the funding for the department of administration
e-procurement system replacement project and the state department of
corrections inmate information management system replacement, any
remaining balances on June 30, 2017 in the automation projects fund
established by section 41-714, Arizona Revised Statutes, are appropriated
through fiscal year 2018-2019 for the same purpose as specified

H. For the funding for the department of revenue enterprise tax
system replacement assessment, any remaining balances on June 30, 2017 in
the automation projects fund established by section 41-714, Arizona
Revised Statutes, from monies appropriated in fiscal year 2016-2017 for
the enterprise tax system replacement assessment revert to the liability
setoff program revolving fund established by section 42-1122, Arizona
Revised Statutes.

I. For the funding for the department of environmental quality's
e-licensing projects, any remaining balances on June 30, 2017 in the
automation projects fund established by section 41-714, Arizona Revised
Statutes, from monies appropriated in fiscal year 2015-2016 for the
e-licensing projects at the department of environmental quality are
appropriated to the department of administration in fiscal year 2017-2018
for the same purposes specified in fiscal year 2015-2016. The department
of administration shall report in its quarterly report to the joint
legislative budget committee any fiscal year 2017-2018 expenditure of
remaining balances from fiscal year 2015-2016 from the automation projects
fund.

J. For the funding for the department of economic security's
information technology security project, any remaining balances on June
30, 2017 in the automation projects fund established by section 41-714,
Arizona Revised Statutes, from monies appropriated in fiscal year
2015-2016 for the information technology security project at the
department of economic security are appropriated to the department of
administration in fiscal year 2017-2018 for the same purposes specified in
fiscal year 2015-2016. The department of administration shall report in
its quarterly report to the joint legislative budget committee any fiscal
year 2017-2018 expenditure of remaining balances from fiscal year 2015-2016 from the automation projects fund.

K. The amount appropriated for implementing projects that comply with state and federal security information technology standards at the department of economic security by Laws 2015, chapter 8, section 126 and Laws 2016, chapter 117, section 129 may not be used for an assessment to replace any information technology system at the department. On or before December 2, 2017, the department of economic security shall submit a report for review to the joint legislative budget committee on the status of the department's information technology security system.

L. For the funding for the department of child safety's replacement of the children's information library and data source system project, any remaining balances on June 30, 2017 in the automation projects fund established by section 41-714, Arizona Revised Statutes, from monies appropriated in fiscal year 2014-2015 for the replacement of the children's information and data source system project at the department of child safety are appropriated to the department of administration in fiscal year 2017-2018 for the same purposes specified in fiscal year 2014-2015. The department of administration shall report in its quarterly report to the joint legislative budget committee any fiscal year 2017-2018 expenditure of remaining balances from fiscal year 2014-2015 from the automation projects fund.

M. The $2,500,000 appropriated for an update of the microwave backbone statewide communication system at the department of public safety is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations through June 30, 2019.

Sec. 4. Laws 2018, chapter 276, section 118 is amended to read:

Sec. 118. Automation projects fund; appropriations; fiscal year 2018-2019; quarterly report

Appropriations

A. The following amounts and 15.0 FTE positions are appropriated from the department of administration subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the department of administration for the following statewide automation and information technology projects:

1. $4,697,000 to relocate the state data center.
2. $821,900 to update the state's human resource information system.
3. $500,000 for projects related to e-government.
4. $3,000,000 to replace the state's e-procurement system.

B. The sum of $450,000 is appropriated from the statewide board e-licensing subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the department of administration to include the board of behavioral health examiners in the statewide e-licensing project. The department must
receive approval for the statewide e-licensing project from the
information technology authorization committee pursuant to section 18-121,
Arizona Revised Statutes, before requesting review from the joint
legislative budget committee pursuant to section 41-714, Arizona Revised
Statutes.

B. The sum of $5,000,000 is appropriated from the department of
child safety subaccount in the automation projects fund established by
section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the
department of administration to implement upgrades to the children's
information library and data source system at the department of child
safety.

C. The sum of $3,200,000 is appropriated from the department of
environmental quality subaccount in the automation projects fund
established by section 41-714, Arizona Revised Statutes, in fiscal year
2018-2019 to the department of administration to implement e-licensing
projects at the department of environmental quality.

D. The sum of $1,400,000 is appropriated from the department of
financial institutions subaccount in the automation projects fund
established by section 41-714, Arizona Revised Statutes, in fiscal year
2018-2019 to the department of administration for e-licensing development
at the department of financial institutions.

E. The following amounts are appropriated from the department
of public safety subaccount in the automation projects fund established by
section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the
department of administration for the following statewide automation and
information technology projects at the department of public safety:

1. $1,250,000 to update the microwave backbone statewide
communication system.

2. $2,806,200 to implement updates to the criminal justice
information system.

Quarterly Report

F. The department of administration shall submit to the joint
legislative budget committee, within thirty days after the last day of
each calendar quarter, a quarterly report on implementing projects
approved by the information technology authorization committee established
by section 18-121, Arizona Revised Statutes, including the projects' 
expenditures to date, deliverables, timeline for completion and current
status.

Nonlapsing

G. The amounts appropriated pursuant to this section from the
automation projects fund established by section 41-714, Arizona Revised
Statutes, in fiscal year 2018-2019 are exempt from the provisions of
section 35-190, Arizona Revised Statutes, relating to lapsing of
I. H. The transfers into the automation projects fund established by section 41-714, Arizona Revised Statutes, as outlined in this section are not appropriations out of the automation project fund. Only direct appropriations out of the automation projects fund are appropriations.

Sec. 5. Laws 2018, chapter 276, section 141 is amended to read:

Sec. 141. Appropriations; fund balance transfers; fiscal year 2018-2019; automation projects fund

A. The sum of $5,000,000 is appropriated from the state general fund in fiscal year 2018-2019 for deposit in the department of child safety subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes, to upgrade the children's information library and data source system at the department of child safety.

B. Notwithstanding any other law, the following amounts are transferred from the following funds in fiscal year 2018-2019 for deposit in the department of administration subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes:

1. $5,330,000 from the automation operations fund established by section 41-714, Arizona Revised Statutes, to manage statewide automation and information technology projects.

2. $3,517,000 from the state web portal fund established by section 18-421, Arizona Revised Statutes, for information technology projects at the department of administration.

3. $171,900 from the personnel division fund established pursuant to section 41-750, Arizona Revised Statutes, to upgrade the state's human resource information system.

C. Notwithstanding any other law, the amount of $450,000 is transferred from the board of behavioral health examiners fund established by section 32-3254, Arizona Revised Statutes, in fiscal year 2018-2019 for deposit in the statewide board e-licensing subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes, for e-licensing projects.

D. C. Notwithstanding any other law, the following amounts are transferred from the following funds in fiscal year 2018-2019 for deposit in the department of environmental quality subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes, for e-licensing projects:

1. $1,400,000 from the underground storage tank revolving fund established by section 49-1015, Arizona Revised Statutes.

2. $1,800,000 from the permit administration fund established by section 49-455, Arizona Revised Statutes.

D. Notwithstanding any other law, the amount of $1,400,000 is transferred from the department receivership revolving fund established by section 6-135.01, Arizona Revised Statutes, in fiscal year 2018-2019 for deposit in the department of financial institutions subaccount in the
E. Notwithstanding any other law, the following amounts are transferred from the following funds in fiscal year 2018-2019 for deposit in the department of public safety subaccount in the automation projects fund established by section 41-714, Arizona Revised Statutes:

1. $1,250,000 from the public safety equipment fund established by section 41-1723, Arizona Revised Statutes, to update the microwave backbone statewide communication system.

2. $2,806,200 from the Arizona highway patrol fund established by section 41-1752, Arizona Revised Statutes, for upgrades to the criminal justice information system.

F. The transfers into the automation projects fund established by section 41-714, Arizona Revised Statutes, as outlined in this section are not appropriations out of the automation projects fund. Only direct appropriations out of the automation projects fund are appropriations.

Sec. 6. ARIZONA STATE BOARD OF ACCOUNTANCY

2019-20

FTE positions 14.0

Lump sum appropriation $ 2,037,900

Fund sources:

Board of accountancy fund $ 2,037,900

Sec. 7. ACUPUNCTURE BOARD OF EXAMINERS

2019-20

FTE positions 1.0

Lump sum appropriation $ 169,700

Fund sources:

Acupuncture board of examiners fund $ 169,700

Sec. 8. DEPARTMENT OF ADMINISTRATION

2019-20

FTE positions 550.1

Operating lump sum appropriation $ 97,407,700

Utilities 7,649,900

Arizona financial information system 9,447,700

Risk management administrative expenses 8,747,200

Risk management losses and premiums 46,178,400

Workers' compensation losses and premiums 31,830,300

Statewide information security and privacy operations and controls 6,359,500
Information technology project management and oversight 1,500,000
State surplus property sales   
    agency proceeds 1,810,000
Southwest defense contracts 25,000
Government transformation office 2,000,000
Public safety regional communications 271,000
Total appropriation — department of administration $213,226,700
Fund sources:
    State general fund $ 8,210,100
    Air quality fund 927,300
    Arizona financial information system collections fund 9,447,700
    Automation operations fund 31,399,800
    Capital outlay stabilization fund 18,136,300
    Corrections fund 572,500
    Federal surplus materials revolving fund 464,900
    Information technology fund 8,436,000
    Motor vehicle pool revolving fund 10,162,600
    Personnel division fund 12,747,800
    Risk management revolving fund 94,569,100
    Special employee health insurance trust fund 5,283,800
    Special services revolving fund 1,190,700
    State surplus materials revolving fund 2,963,700
    State web portal fund 6,798,100
    Telecommunications fund 1,916,300

The amount appropriated for southwest defense contracts shall be distributed to a nonprofit organization that advocates for preserving and enhancing critical defense missions and assets in the southwestern United States.

The appropriation from the automation operations fund established by section 41-711, Arizona Revised Statutes, is an estimate representing all monies, including balance forward, revenues and transfers during fiscal year 2019-2020. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation is adjusted as necessary to reflect monies credited to the automation operations fund for automation operation center projects. Before spending any automation operations fund monies in excess of $31,399,800 in fiscal year 2019-2020, the department shall
report the intended use of the monies to the joint legislative budget committee.

On or before September 1, 2020, the department shall submit a report for review by the joint legislative budget committee on the results of pilot projects implemented in fiscal year 2019-2020 for the state employee public transportation service reimbursements pursuant to section 41-710.01, Arizona Revised Statutes, in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.

The legislature intends that the department not replace vehicles until they have an average of 80,000 miles or more. On or before August 1, 2019, the department shall submit a report to the joint legislative budget committee on the maintenance savings achieved by replacing vehicles that have an average of 80,000 miles or more.

All state surplus materials revolving fund monies received by the department of administration in excess of $2,963,700 in fiscal year 2019-2020 are appropriated to the department. Before spending state surplus materials revolving fund monies in excess of $2,963,700 in fiscal year 2019-2020, the department shall report the intended use of the monies to the joint legislative budget committee.

The amount appropriated for the public safety regional communications line item shall be distributed to the city of Sierra Vista for technology infrastructure maintenance at the southeastern Arizona communications center.

The department may charge state agencies no more than $10.42 per user per month for the statewide email and calendar service.

Sec. 9. OFFICE OF ADMINISTRATIVE HEARINGS 2019-20

| FTE positions | 12.0 |
| Lump sum appropriation | $ 868,900 |

Fund sources:

| State general fund | $ 868,900 |

Sec. 10. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS 2019-20

| FTE positions | 3.0 |
| Lump sum appropriation | $ 127,200 |

Fund sources:

| State general fund | $ 127,200 |

Sec. 11. ARIZONA DEPARTMENT OF AGRICULTURE 2019-20

| FTE positions | 203.4 |
| Operating lump sum appropriation | $ 11,394,100 |
| Agricultural employment relations board | 23,300 |
1. Animal damage control .............................................. 65,000
2. Red imported fire ant control .................................. 23,200
3. Agricultural consulting and training .......................... 128,500
4. **Total appropriation — Arizona department of agriculture** $ 11,634,100

**Fund sources:**
5. State general fund ............................................... $ 10,188,900
6. Air quality fund ..................................................... 1,445,200
7. The operating lump sum appropriation includes $137,000 and 1 FTE position for an additional dairy inspector and for personal services, employee-related expenditures, salary increases and related expenditures for dairy inspectors.

8. **Sec. 12. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM** 2019-20

9. FTE positions ......................................................... 2,339.3
10. Operating lump sum appropriation .............................. $ 91,485,300

**Administration**
11. ADOA data center .................................................. 19,325,800
12. DES eligibility ...................................................... 88,874,500
13. Proposition 204 — AHCCCS administration .................. 13,143,500
14. Proposition 204 — DES eligibility .............................. 44,358,700

**Medicaid services**
15. Traditional medicaid services .................................. 5,179,189,700
16. Proposition 204 services ........................................... 4,168,410,500
17. Adult expansion services .......................................... 527,018,800
18. Comprehensive medical and dental program .................... 180,729,500
19. KidsCare services ................................................... 106,516,300
20. ALTCS services ...................................................... 1,796,913,800
21. Behavioral health services in schools .......................... 9,990,000

**Nonmedicaid behavioral health services**
22. Crisis services ..................................................... 16,391,300
23. Nonmedicaid seriously mentally ill services .................. 77,646,900
24. Supported housing .................................................. 5,324,800

**Hospital payments**
25. Disproportionate share payments ............................... 5,087,100
26. Disproportionate share payments — voluntary match ............ 40,980,200
27. Rural hospitals ..................................................... 28,612,400
28. Graduate medical education ...................................... 303,551,500
Safety net care pool 0
Targeted investments program 90,000,000

Total appropriation and expenditure

- Arizona health care cost containment system $12,793,550,600

Fund sources:

- State general fund $1,759,949,900
- Budget neutrality compliance fund 3,906,400
- Children's health insurance program fund 104,642,000
- Prescription drug rebate fund - state 148,458,800
- Substance abuse services fund 2,250,200
- Tobacco products tax fund - emergency health services account 16,216,300
- Tobacco tax and health care fund - medically needy account 61,752,600
- Expenditure authority 10,696,374,400

Operating budget

The amount appropriated for the DES eligibility line item shall be used for intergovernmental agreements with the department of economic security for eligibility determination and other functions. The state general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.

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

Of the amount appropriated for the operating lump sum, $100,000 shall be used for a suicide prevention coordinator to assist school districts and charter schools in suicide prevention efforts. The Arizona health care cost containment system administration, in consultation with the department of education, shall report to the governor, the president of the senate, the speaker of the house of representatives, the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting on or before September 1, 2020 on the suicide prevention coordinator's accomplishments in fiscal year 2019-2020.
Medical services and behavioral health services

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

The Arizona health care cost containment system administration shall report to the joint legislative budget committee on or before March 1, 2020 on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum may not be more than two percent. Before implementing any changes in capitation rates, the administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any change in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year’s capitation rates. If the fiscal impact analysis demonstrates that this change will result in additional state costs of $500,000 or more for any fiscal year, the administration shall submit the policy change for review by the joint legislative budget committee.

The legislature intends that the percentage attributable to administration and profit for the regional behavioral health authorities be nine percent of the overall capitation rate.

The Arizona health care cost containment system administration shall transfer up to $1,200,000 from the traditional medicaid services line item for fiscal year 2019-2020 to the attorney general for costs associated with tobacco settlement litigation.

The Arizona health care cost containment system administration shall transfer $836,000 from the traditional medicaid services line item for fiscal year 2019-2020 to the department of revenue for enforcement costs associated with the March 13, 2013 master settlement agreement with tobacco companies.

On or before June 30, 2020, the Arizona health care cost containment system administration shall report to the joint legislative budget committee on the progress in implementing the Arnold v. Sarn lawsuit settlement. The report shall include, at a minimum, the administration's progress toward meeting all criteria specified in the 2014 joint stipulation, including the development and estimated cost of additional behavioral health service capacity in Maricopa county for supported housing services for 1,200 class members, supported employment services for 750 class members, eight assertive community treatment teams and consumer operated services for 1,500 class members. The administration shall also report by fund source the amounts it plans to use to pay for expanded services.
Long-term care
Any federal monies that the Arizona health care cost containment
system administration passes through to the department of economic
security for use in long-term care for persons with developmental
disabilities do not count against the long-term care expenditure authority
above.

Pursuant to section 11-292, subsection B, Arizona Revised Statutes,
the county portion of the fiscal year 2019-2020 nonfederal costs of
providing long-term care system services is $290,276,100. This amount is
included in the expenditure authority fund source.

Any supplemental payments received in excess of $108,386,600 for
nursing facilities that serve Arizona long-term care system medicaid
patients in fiscal year 2019-2020, including any federal matching monies,
by the Arizona health care cost containment system administration are
appropriated to the administration in fiscal year 2019-2020. Before
spending these increased monies, the administration shall notify the joint
legislative budget committee and the governor's office of strategic
planning and budgeting of the amount of monies that will be spent under
this provision. These payments are included in the expenditure authority
fund source.

Payments to hospitals
The $5,087,100 appropriation for disproportionate share payments for
fiscal year 2019-2020 made pursuant to section 36-2903.01, subsection O,
Arizona Revised Statutes, includes $4,202,300 for the Maricopa county
health care district and $884,800 for private qualifying disproportionate
share hospitals.

Any monies received for disproportionate share hospital payments
from political subdivisions of this state, tribal governments and any
university under the jurisdiction of the Arizona board of regents, and any
federal monies used to match those payments, in fiscal year 2019-2020 by
the Arizona health care cost containment system administration in excess
of $40,980,200 are appropriated to the administration in fiscal year
2019-2020. Before spending these increased monies, the administration
shall notify the joint legislative budget committee and the governor's
office of strategic planning and budgeting of the amount of monies that
will be spent under this provision.

The expenditure authority fund source includes voluntary payments
made from political subdivisions for payments to hospitals that operate a
graduate medical education program or treat low-income patients and for
payments to qualifying providers affiliated with teaching hospitals. The
political subdivision portions of the fiscal year 2019-2020 costs of
graduate medical education, disproportionate share payments — voluntary
match, safety net care pool, traditional medicaid services, proposition
204 services and adult expansion services line items are included in the
expenditure authority fund source.
Any monies for graduate medical education received in fiscal year 2019-2020, including any federal matching monies, by the Arizona health care cost containment system administration in excess of $303,551,500 are appropriated to the administration in fiscal year 2019-2020. Before spending these increased monies, the administration shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of monies that will be spent under this provision.

Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes $1,666,700 from the state general fund and $3,857,700 from expenditure authority for the direct costs of graduate medical education programs located in a county with a population of less than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program. The administration shall prioritize distribution to programs at hospitals in counties with a higher percentage of persons residing in a health professional shortage area as defined in 42 Code of Federal Regulations part 5.

Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes $1,333,300 from the state general fund and $3,086,000 from expenditure authority for the direct costs of graduate medical education programs located in a county with a population of more than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program. The administration shall prioritize distribution to programs at hospitals in counties with a higher percentage of persons residing in a health professional shortage area as defined in 42 Code of Federal Regulations part 5.

Monies appropriated for graduate medical education in this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2021.

Any monies received for the safety net care pool by the Arizona health care cost containment system administration in fiscal year 2019-2020, including any federal matching monies, are appropriated to the administration in fiscal year 2019-2020. Before spending these monies, the administration shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of monies that will be spent under this provision.
On or before July 1, 2020, the Arizona health care cost containment system administration shall report to the director of the joint legislative budget committee the total amount of medicaid reconciliation payments and penalties received on or before that date since July 1, 2019. The nonappropriated portion of the prescription drug rebate fund established by section 36-2930, Arizona Revised Statutes, is included in the federal portion of the expenditure authority fund source.

Sec. 13. BOARD OF ATHLETIC TRAINING

| FTE positions | 1.5 |
| Fund sources: |     |
| Athletic training fund | $ 123,500 |

Sec. 14. ATTORNEY GENERAL — DEPARTMENT OF LAW

| FTE positions | 607.7 |
| Operating lump sum appropriation | $ 53,936,400 |
| Capital postconviction prosecution | 802,300 |
| Child and family advocacy centers | 500,000 |
| Internet crimes against children enforcement | 1,250,000 |
| Federalism unit | 1,004,500 |
| Government accountability and special litigation | 1,211,400 |
| Peace officer equipment grants | 2,500,000 |
| Peace officer memorial fund deposit | 1,000,000 |
| Risk management interagency service agreement | 9,570,000 |
| State grand jury | 181,000 |
| Southern Arizona law enforcement | 1,524,200 |
| Tobacco enforcement | 823,000 |
| Victims' rights | 3,766,800 |
| Voter fraud unit | 530,000 |

Total appropriation — attorney general — department of law $ 78,599,600

Fund sources:

| State general fund | $ 24,355,300 |
| Antitrust enforcement revolving fund | 148,500 |
| Attorney general legal services cost allocation fund | 2,102,800 |
All monies appropriated to the attorney general legal services line item in the department of child safety budget do not count toward the attorney general's interagency service agreements fund appropriation in fiscal year 2019-2020.

Within ten days after receipt of a complaint alleging a violation of section 15-511, Arizona Revised Statutes, the attorney general shall forward a copy of the complaint to the governor, the president of the senate and the speaker of the house of representatives.

The amount appropriated for the child and family advocacy centers line item is allocated to the child and family advocacy center fund established by section 41-191.11, Arizona Revised Statutes.

The $900,000 appropriation from the internet crimes against children enforcement fund established by section 41-199, Arizona Revised Statutes, and the $350,000 appropriation from the state general fund for the internet crimes against children enforcement line item are continuing appropriations and are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2021.

Of the amount appropriated to the child and family advocacy centers line item, $400,000 is a onetime appropriation from the consumer protection-consumer fraud revolving fund established by section 44-1531.01, Arizona Revised Statutes, for fiscal year 2019-2020.

The sum of $950,000 in fiscal year 2020-2021, the sum of $2,350,000 in fiscal year 2021-2022 and the sum of $2,350,000 in fiscal year 2022-2023 are appropriated from the consumer protection-consumer fraud revolving fund established by section 44-1531.01, Arizona Revised Statutes, to the attorney general for operating expenses of the criminal division.

On or before March 1, 2020, the department shall report to the president of the senate, the speaker of the house of representatives, the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting on the distributions from the peace officer equipment grants line item.
The amount appropriated to the peace officer memorial fund deposit line item is for deposit in the Arizona peace officers memorial fund established by section 41-1829.02, Arizona Revised Statutes. Before the expenditure of any monies in the line item, the attorney general shall submit an expenditure plan for review by the joint legislative budget committee.

Sec. 15. AUTOMOBILE THEFT AUTHORITY

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
<tr>
<td>Arizona vehicle theft task force</td>
</tr>
<tr>
<td>Local grants</td>
</tr>
<tr>
<td>Reimbursable programs</td>
</tr>
<tr>
<td>Total appropriation — automobile theft authority</td>
</tr>
</tbody>
</table>

Fund sources:
- Automobile theft authority fund $5,308,900

The automobile theft authority shall submit a report to the joint legislative budget committee before spending any monies for the reimbursable programs line item. The authority shall show sufficient monies collected to cover the expenses indicated in the report.

Local grants shall be awarded with consideration given to areas with greater automobile theft problems and shall be used to combat economic automobile theft operations.

The automobile theft authority shall pay seventy-five percent of the personal services and employee-related expenses for city, town and county sworn officers who participate in the Arizona vehicle theft task force.

Sec. 16. BOARD OF BARBERS

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
- Board of barbers fund $401,100

Sec. 17. BOARD OF BEHAVIORAL HEALTH EXAMINERS

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
- Board of behavioral health examiners fund $1,772,300
Sec. 18. STATE BOARD FOR CHARTER SCHOOLS

FTE positions 2019-20
Lump sum appropriation $1,602,600

Fund sources:
State general fund $1,602,600

Sec. 19. DEPARTMENT OF CHILD SAFETY

FTE positions 2019-20
Operating lump sum appropriation $110,564,600

Additional operating resources
Caseworkers 101,150,900
Attorney general legal services 25,522,800
General counsel 155,900
Inspections bureau 2,479,300
New case aides 3,073,700
Office of child welfare investigations 9,633,000
Overtime pay 8,390,900
Records retention staff 594,200
Training resources 9,150,000

Out-of-home placements
Congregate group care 98,900,100
Foster home placement 52,595,500
Foster home recruitment, study and supervision 32,753,600
Independent living maintenance 4,660,000
Kinship care 5,000,000

Permanent placements
Adoption services 278,258,500
Permanent guardianship subsidy 12,516,900

Support services
DCS child care subsidy 55,559,400
In-home mitigation 28,988,100
Out-of-home support services 153,910,900
Preventive services 15,148,300

Total appropriation and expenditure authority — department of child safety $1,009,006,600

Fund sources:
State general fund $378,230,700
Federal child care and development fund block grant 34,400,000
Federal temporary assistance for needy families block grant: $157,279,300
Child abuse prevention fund: $1,459,300
Children and family services training program fund: $207,100
Child safety expenditure authority: $437,430,200

Additional operating resources

The department of child safety shall provide training to any new child safety FTE positions before assigning any client caseload duties to any of these employees.

The legislature intends that the department of child safety use its funding to achieve a one hundred percent investigation rate.

All expenditures made by the department of child safety for attorney general legal services shall be funded only from the attorney general legal services line item. Monies in department of child safety line items intended for this purpose shall be transferred to the attorney general legal services line item before expenditures.

Out-of-home placements

The department of child safety may transfer up to ten percent of the total amount of federal temporary assistance for needy families block grant monies appropriated to the department of economic security and the department of child safety to the social services block grant. Before transferring federal temporary assistance for needy families block grant monies to the social services block grant, the department of child safety shall report the proposed amount of the transfer to the director of the joint legislative budget committee. This report may be in the form of an expenditure plan that is submitted at the beginning of the fiscal year and updated, if necessary, throughout the fiscal year.

The amount appropriated for kinship care shall be used for a stipend of $75 per month for a relative caretaker, including a grandparent, any level of great-grandparent or any nongrandparent relative, or a caretaker of fictive kinship, if a dependent child is placed in the care of a relative caretaker or caretaker of fictive kinship pursuant to department guidelines. The department shall provide the stipend on behalf of all children placed with an unlicensed kinship foster care parent. The unlicensed kinship foster care parent is not required to file an application to receive the stipend. Before changing the eligibility for the program or the amount of the stipend, the department shall submit a report for review by the joint legislative budget committee detailing the proposed changes.
Departmentwide

The amount appropriated for any line item may not be transferred to another line item or to the operating budget unless the transfer is reviewed by the joint legislative budget committee.

Child safety expenditure authority includes all department funding sources excluding the state general fund, the federal child care and development fund block grant, the federal temporary assistance for needy families block grant, the child abuse prevention fund and the children and family services training program fund.

On or before January 2, 2020, the department of child safety shall submit a report to the joint legislative budget committee on the department's efforts to implement the family first prevention services act of 2018. The report shall quantify the department's efforts in at least the following areas, including any associated fiscal impacts:

1. Reducing the number of children placed for more than two weeks in congregate care settings, excluding qualified residential treatment programs, facilities for pregnant and parenting youth, supervised independent living and specialized programs for victims of sex trafficking.

2. Assisting congregate care providers in attaining status as qualified residential treatment programs.

3. Identifying alternative placements, including therapeutic foster homes, for children who would otherwise be placed in congregate care.

4. Expanding evidence-based, in-home parent skill-based programs and mental health and substance abuse prevention and treatment services.

Benchmarks

For the purposes of this section, "backlog case":

1. Means any nonactive case for which documentation has not been entered in the child welfare automated system for at least sixty days and for which services have not been authorized for at least sixty days and any case that has had an investigation, has been referred to another unit and has had no contact for at least sixty days.

2. Includes any case for which the investigation has been open without any documentation or contact for at least sixty days, any case involving in-home services for which there has been no contact or services authorized for at least sixty days and any case involving foster care in which there has been no contact or any documentation entered in the child welfare automated system for at least sixty days.

For the purposes of this section, "open report" means a report that is under investigation or awaiting closure by a supervisor.
On or before September 30, 2019, and on or before the last day of every calendar quarter through June 30, 2020, the department of child safety shall present a report for review by the joint legislative budget committee on the progress made in meeting the caseload standard and reducing the number of backlog cases and out-of-home children. The report shall include the number of backlog cases, the number of open reports, the number of out-of-home children and the caseworker workload in comparison to the previous quarter. The report shall provide the number of backlog cases by disposition, including the number of backlog cases in the investigation phase, the number of backlog cases associated with out-of-home placements and the number of backlog cases associated with in-home cases.

To determine the caseworker workload, the department shall report the number of case-carrying caseworkers at each field office and the number of investigations, in-home cases and out-of-home children assigned to each field office.

For backlog cases, the department's quarterly benchmark is 1,000 cases.

For open reports, the department's benchmark is to have fewer than 8,000 open reports.

For out-of-home children, the department's benchmark is 13,964 children.

If the department of child safety has not submitted the quarterly report within thirty days after the last day of the calendar quarter, the director of the joint legislative budget committee shall inform the general accounting office of the department of administration, which shall withhold two percent of the department of child safety's operating lump sum quarterly budget allocation until the department of child safety submits the quarterly report.

Sec. 20. STATE BOARD OF CHIROPRACTIC EXAMINERS

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
- Board of chiropractic examiners fund | $ 429,700 |

Sec. 21. ARIZONA COMMUNITY COLLEGES

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equalization aid</td>
</tr>
<tr>
<td>Cochise</td>
</tr>
<tr>
<td>Graham</td>
</tr>
<tr>
<td>Navajo</td>
</tr>
<tr>
<td>Total — equalization aid</td>
</tr>
</tbody>
</table>
## Operating state aid

<table>
<thead>
<tr>
<th>County</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochise</td>
<td>$4,623,500</td>
</tr>
<tr>
<td>Coconino</td>
<td>$1,703,400</td>
</tr>
<tr>
<td>Gila</td>
<td>$293,700</td>
</tr>
<tr>
<td>Graham</td>
<td>$2,389,600</td>
</tr>
<tr>
<td>Mohave</td>
<td>$1,175,300</td>
</tr>
<tr>
<td>Navajo</td>
<td>$1,567,700</td>
</tr>
<tr>
<td>Pinal</td>
<td>$1,452,000</td>
</tr>
<tr>
<td>Yavapai</td>
<td>$601,400</td>
</tr>
<tr>
<td>Yuma/La Paz</td>
<td>$2,399,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$16,206,100</td>
</tr>
</tbody>
</table>

## STEM and workforce programs state aid

<table>
<thead>
<tr>
<th>County</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochise</td>
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<tr>
<td>Coconino</td>
<td>$399,200</td>
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<tr>
<td>Gila</td>
<td>$135,000</td>
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<tr>
<td>Graham</td>
<td>$645,800</td>
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<tr>
<td>Mohave</td>
<td>$455,000</td>
</tr>
<tr>
<td>Navajo</td>
<td>$339,500</td>
</tr>
<tr>
<td>Pinal</td>
<td>$96,500</td>
</tr>
<tr>
<td>Santa Cruz</td>
<td>$26,900</td>
</tr>
<tr>
<td>Yavapai</td>
<td>$703,100</td>
</tr>
<tr>
<td>Yuma/La Paz</td>
<td>$1,030,200</td>
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<tr>
<td><strong>Total</strong></td>
<td>$4,827,400</td>
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</table>

## Rural county reimbursement subsidy

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,273,800</td>
</tr>
</tbody>
</table>

## Additional Gila workforce development aid

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000</td>
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</tbody>
</table>

## Diné college remedial education

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

## Total appropriation — Arizona community colleges

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$54,154,900</td>
</tr>
</tbody>
</table>

Fund sources:

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$54,154,900</td>
</tr>
</tbody>
</table>

Of the $1,273,800 appropriated to the rural county reimbursement subsidy line item, Apache county receives $699,300 and Greenlee county receives $574,500.

On or before October 15, 2020, the Diné college board of regents shall submit to the governor, the speaker of the house of representatives, the president of the senate, the secretary of state and the joint legislative budget committee a report that details the course completion rate for students who received remedial education during the 2019-2020 academic year.
Sec. 22. REGISTRAR OF CONTRACTORS

FTE positions 105.6

Operating lump sum appropriation $11,282,500

Office of administrative hearings costs 1,017,600

Total appropriation - registrar of contractors $12,300,100

Fund sources:
Registrar of contractors fund $12,300,100

Sec. 23. CORPORATION COMMISSION

FTE positions 300.9

Operating lump sum appropriation $26,802,700

Corporation filings, same-day service 401,200

Utilities audits, studies, investigations and hearings 380,000*

Total appropriation - corporation commission $27,583,900

Fund sources:
State general fund $618,000
Arizona arts trust fund 50,700
Investment management regulatory and enforcement fund 714,700
Public access fund 6,713,000
Securities regulatory and enforcement fund 5,038,200
Utility regulation revolving fund 14,449,300

The $401,200 appropriated from the public access fund for the corporation filings, same-day service line item reverts to the public access fund established by section 10-122.01, Arizona Revised Statutes, at the end of fiscal year 2019-2020 if the commission has not established a same-day service pursuant to section 10-122, Arizona Revised Statutes.

Sec. 24. STATE DEPARTMENT OF CORRECTIONS

FTE positions 9,566.0

Operating lump sum appropriation $800,782,400

Private prison per diem 171,493,300
Community corrections 19,584,200
Inmate health care contracted services 194,711,700

Total appropriation - state department of corrections $1,186,571,600
Fund sources:

- State general fund $1,133,566,500
- State education fund for correctional education 727,900
- Alcohol abuse treatment fund 555,500
- Penitentiary land fund 2,507,400
- State charitable, penal and reformatory institutions land fund 2,661,500
- Corrections fund 30,312,300
- Transition program fund 2,400,100
- Prison construction and operations fund 12,500,000
- Inmate store proceeds fund 1,340,400

Of the amount appropriated in the operating lump sum, $384,534,400 is designated for personal services and $240,063,200 is designated for employee-related expenditures. The department shall submit an expenditure plan to the joint legislative budget committee for review before spending these monies other than for personal services or employee-related expenditures.

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

The state department of corrections shall forward to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee a monthly report comparing department expenditures for the month and year-to-date as compared to prior-year expenditures on or before the thirtieth of the following month. The report shall be in the same format as the prior fiscal year and include an estimate of potential shortfalls, potential surpluses that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation. The report shall include the number of filled and vacant correctional officer and medical staff positions departmentwide and by prison complex.

On or before August 1, 2019, the state department of corrections shall provide a report on bed capacity to the joint legislative budget committee for its review. The report shall reflect the bed capacity for each security classification by gender at each state-run and private institution, divided by rated and total beds. The report shall include bed capacity data for June 30, 2018 and June 30, 2019 and the projected capacity for June 30, 2020, as well as the reasons for any change within
that time period. Within the total bed count, the department shall provide the number of temporary and special use beds. The report shall also address the department's rationale for eliminating any permanent beds rather than reducing the level of temporary beds. If the department develops a plan after its August 1 report to open or close state-operated prison rated beds or cancel or not renew contracts for privately operated prison beds, the department shall submit a bed plan detailing the proposed bed closures for review by the joint legislative budget committee before implementing these changes.

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

On or before August 31, 2019, and on or before the last day of November, February and May in fiscal year 2019-2020, the state department of corrections shall present a report for review by the joint legislative budget committee on the progress made in meeting the staffing needs for correctional officers. The report due on August 31, 2019 shall include the department's recommended benchmarks through June 30, 2020 and how the department plans to reach those benchmarks. Each quarterly report shall include the number of filled correctional officer positions, the number of vacant correctional officer positions, the number of people in training, the number of separations and the number of hours of overtime worked during the quarter. The report shall detail these amounts both departmentwide and by prison complex.

Any monies used for the replacement of the adult inmate management system are subject to review by the Arizona strategic enterprise technology office and the information technology authorization committee pursuant to section 18-121, Arizona Revised Statutes. Before spending any monies for the replacement of the adult inmate management system, the Arizona strategic enterprise technology office shall submit, on behalf of the state department of corrections, an expenditure plan to the joint legislative budget committee for review. The expenditure plan shall include the project cost, deliverables, timeline for completion and method of procurement consistent with the department's prior reports for its appropriations from the automation projects fund pursuant to section 41-714, Arizona Revised Statutes.

Of the amount appropriated for the private prison per diem line item, $17,466,700 shall be used to make a debt service payment on the financing agreement authorized by Laws 2016, chapter 119, section 24.
Twenty-five percent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used to support state penal institutions.

Before spending any state education fund for correctional education monies in excess of $727,900, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

On or before August 1, 2019 and February 1, 2020, the state department of corrections shall submit a report to the joint legislative budget committee on the status of the performance measures tracked by the department as required by the Parson v. Ryan stipulation agreement, a copy of any court-ordered compliance reports filed by the department or a contracted provider during the reporting period and a copy of any report produced by a court-appointed monitor regarding the delivery of health services during each reporting period. The report shall include the number of performance measures in total and by facility with which the department is not in substantial compliance, an explanation for why the department is not in substantial compliance and the department's plans to comply with the measures. The report shall also list the measures the department is no longer required to track as a result of compliance with the stipulation.

Before implementing any changes in contracted rates for inmate health care contracted services, the state department of corrections shall submit its expenditure plan for review by the joint legislative budget committee.

On or before August 1, 2019, the state department of corrections shall transfer to the public safety personnel retirement system via the department of administration its estimated required annual contribution to the corrections officer retirement plan for fiscal year 2019-2020.

The private prison per diem line item includes an increase of $5,083,500 from the state general fund in fiscal year 2019-2020 for a ten percent salary increase for private prison correctional officers effective July 1, 2019.

Sec. 25. BOARD OF COSMETOLOGY

| FTE positions | 24.5 |
| Operating lump sum appropriation | $1,887,100 |
| Annual leave payout | $34,200 |
| Total appropriation — board of cosmetology | $1,921,300 |

Fund sources:

| Board of cosmetology fund | $1,921,300 |
The amount appropriated for the annual leave payout line item is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023.

Notwithstanding Laws 2018, chapter 276, section 23, the $34,200 appropriated to the board of cosmetology by Laws 2018, chapter 276, section 23 from the board of cosmetology fund for the annual leave payout line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2023.

Sec. 26. ARIZONA CRIMINAL JUSTICE COMMISSION

<table>
<thead>
<tr>
<th>2019-20</th>
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</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
<tr>
<td>State aid to county attorneys</td>
</tr>
<tr>
<td>Victim compensation and assistance</td>
</tr>
<tr>
<td>Total appropriation – Arizona criminal justice commission</td>
</tr>
<tr>
<td>Fund sources:</td>
</tr>
<tr>
<td>Criminal justice enhancement fund</td>
</tr>
<tr>
<td>Resource center fund</td>
</tr>
<tr>
<td>State aid to county attorneys fund</td>
</tr>
<tr>
<td>Victim compensation and assistance fund</td>
</tr>
</tbody>
</table>

All victim compensation and assistance monies received by the Arizona criminal justice commission in excess of $4,222,400 in fiscal year 2019-2020 are appropriated to the crime victims program. Before spending any victim compensation and assistance fund monies in excess of $4,222,400 in fiscal year 2019-2020, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.

All monies received by the Arizona criminal justice commission in excess of $973,700 in fiscal year 2019-2020 from the state aid to county attorneys fund established by section 11-539, Arizona Revised Statutes, are appropriated to the state aid to county attorneys program. Before spending any state aid to county attorneys fund monies in excess of $973,700, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.

Sec. 27. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Administration/statewide</td>
</tr>
<tr>
<td>Phoenix day school for the deaf</td>
</tr>
</tbody>
</table>
Tucson campus 13,761,300
Preschool/outreach programs 5,832,500
School bus replacement 738,000

Total appropriation — Arizona state schools for the deaf and the blind $36,058,500

Fund sources:
State general fund $23,259,300
Schools for the deaf and the blind 12,799,200

Before spending any schools for the deaf and the blind fund monies in excess of $12,799,200 in fiscal year 2019-2020, the Arizona state schools for the deaf and the blind shall report to the joint legislative budget committee the intended use of the monies.

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

2019-20

FTE positions 17.0
Operating lump sum appropriation $4,421,500
Support services for the deaf-blind 192,000

Total appropriation — commission for the deaf and the hard of hearing $4,613,500

Fund sources:
Telecommunication fund for the deaf $4,613,500

Sec. 29. STATE BOARD OF DENTAL EXAMINERS

2019-20

FTE positions 11.0
Lump sum appropriation $1,212,700

Fund sources:
Dental board fund $1,212,700

Sec. 30. OFFICE OF ECONOMIC OPPORTUNITY

2019-20

FTE positions 5.0
Lump sum appropriation $488,800

Fund sources:
State general fund $488,800

Sec. 31. DEPARTMENT OF ECONOMIC SECURITY

2019-20

FTE positions 4,377.8
Operating lump sum appropriation $158,621,400

Administration
Attorney general legal services 10,998,700
<table>
<thead>
<tr>
<th></th>
<th>Categories</th>
<th>Amount (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Aging and adult services</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Adult services</td>
<td>8,731,900</td>
</tr>
<tr>
<td></td>
<td>Community and emergency services</td>
<td>3,724,000</td>
</tr>
<tr>
<td></td>
<td>Coordinated homeless services</td>
<td>2,522,600</td>
</tr>
<tr>
<td></td>
<td>Domestic violence prevention</td>
<td>14,003,700</td>
</tr>
<tr>
<td>2</td>
<td>Benefits and medical eligibility</td>
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</tr>
<tr>
<td></td>
<td>Temporary assistance for needy families</td>
<td>22,736,400</td>
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<tr>
<td></td>
<td>Coordinated hunger services</td>
<td>1,754,600</td>
</tr>
<tr>
<td></td>
<td>Tribal pass-through funding</td>
<td>4,680,300</td>
</tr>
<tr>
<td>3</td>
<td>Child support enforcement</td>
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<tr>
<td></td>
<td>County participation</td>
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<tr>
<td>4</td>
<td>Developmental disabilities</td>
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<tr>
<td></td>
<td>DDD administration</td>
<td>104,623,200</td>
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<td></td>
<td>DDD premium tax payment</td>
<td>35,598,700</td>
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<tr>
<td></td>
<td>Case management — medicaid</td>
<td>75,727,800</td>
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<tr>
<td></td>
<td>Home and community based services — medicaid</td>
<td>1,369,746,700</td>
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<tr>
<td></td>
<td>Services — medicaid</td>
<td>49,934,500</td>
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<tr>
<td></td>
<td>Physical and behavioral health services — medicaid</td>
<td>360,334,100</td>
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<tr>
<td></td>
<td>Medicare clawback payments</td>
<td>4,517,800</td>
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<td></td>
<td>Targeted case management — medicaid</td>
<td>10,673,600</td>
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<td></td>
<td>Case management — state-only</td>
<td>6,175,300</td>
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<td>Home and community based services — state-only</td>
<td>13,589,000</td>
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<tr>
<td></td>
<td>Cost effectiveness study — client services</td>
<td>1,220,000</td>
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<td></td>
<td>Arizona early intervention program</td>
<td>6,319,000</td>
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<td>State-funded long-term care services</td>
<td>35,151,600</td>
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<tr>
<td>5</td>
<td>Employment and rehabilitation services</td>
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<tr>
<td></td>
<td>JOBS</td>
<td>11,005,600</td>
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<td>Child care subsidy</td>
<td>146,796,600</td>
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<td>Independent living rehabilitation services</td>
<td>1,289,400</td>
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<td>Rehabilitation services</td>
<td>7,249,100</td>
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<td>Workforce investment act services</td>
<td>53,654,600</td>
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<tr>
<td>6</td>
<td>Total appropriation and expenditure authority</td>
<td></td>
</tr>
<tr>
<td></td>
<td>— department of economic security</td>
<td>$2,530,120,400</td>
</tr>
</tbody>
</table>
Fund sources:

- State general fund $ 748,115,200

- Federal child care and development fund block grant 158,918,600

- Federal temporary assistance for needy families block grant 65,324,900

- Long-term care system fund 26,559,600

- Public assistance collections fund 422,500

- Special administration fund 4,506,300

- Spinal and head injuries trust fund 2,354,400

- Statewide cost allocation plan fund 1,000,000

- Child support enforcement administration fund 16,973,100

- Domestic violence services fund 4,000,000

- Workforce investment act grant 56,044,500

- Child support enforcement administration fund expenditure authority 42,299,500

- Developmental disabilities medicaid expenditure authority 1,403,601,800

Aging and adult services

All domestic violence services fund monies in excess of $4,000,000 received by the department of economic security are appropriated for the domestic violence prevention line item. Before spending these increased monies, the department shall report the intended use of monies in excess of $4,000,000 to the joint legislative budget committee.

The department of economic security shall report to the joint legislative budget committee the amount of state and federal monies available statewide for domestic violence funding on or before December 15, 2019. The report shall include, at a minimum, the amount of monies available and the state fiscal agent receiving those monies.

Benefits and medical eligibility

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

Child support enforcement

All state shares of retained earnings, fees and federal incentives in excess of $16,973,100 received by the division of child support enforcement are appropriated for operating expenditures. New FTE positions may be authorized with the increased funding. Before spending these increased monies, the department of economic security shall report the intended use of the monies to the joint legislative budget committee.
Before the department may spend any monies to replace the child support information technology system, the Arizona strategic enterprise technology office shall submit, on behalf of the department of economic security, an expenditure plan to the joint legislative budget committee for review. The expenditure plan shall include the project cost, deliverables, timeline for completion and method of procurement consistent with the department's prior reports for its appropriation from the automation projects fund pursuant to section 41-714, Arizona Revised Statutes.

Developmental disabilities

On or before September 1, 2020, the department of economic security shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee any new placement into a state-owned ICF-IID or the Arizona training program at the Coolidge campus in fiscal year 2019-2020 and the reason this placement, rather than a placement into a privately run facility for persons with developmental disabilities, was deemed as the most appropriate placement. The department shall also report if no new placements were made. On or before September 1, 2020, the department shall also report to the director of the joint legislative budget committee the total costs associated with the Arizona training program at Coolidge in fiscal year 2019-2020.

The department shall report to the joint legislative budget committee on or before March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum may not be more than two percent. Before implementing any changes in capitation rates for the long-term care system, the department shall submit a report for review by the joint legislative budget committee. Before the department implements any change in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal impact analysis demonstrates that this change will result in additional state costs of $500,000 or more for any fiscal year, the department shall submit the policy change for review by the joint legislative budget committee.

Before implementing developmental disabilities or long-term care statewide provider rate adjustments that are not already specifically authorized by the legislature, court mandates or changes to federal law, the department shall submit a report for review by the joint legislative budget committee that includes, at a minimum, the estimated cost of the
provider rate adjustment and the ongoing source of funding for the  
adjustment, if applicable.

Before implementing provider rate increases, the department shall  
engage community stakeholders regarding the department's plans to increase  
provider rates. The department shall submit a report to the joint  
legislative budget committee on or before August 1, 2019 describing its  
efforts to engage stakeholders and the department's plans to implement  
provider rate increases for state fiscal year 2019-2020.

Before transferring any monies in or out of the case management -  
medicaid, case management - state-only and DDD administration line items,  
the department shall submit a report for review by the joint legislative  
budget committee.

The department shall submit an expenditure plan to the joint  
legislative budget committee for review of any new division of  
developmental disabilities salary adjustments not previously reviewed by  
the joint legislative budget committee.

The department shall report to the joint legislative budget  
committee on or before August 1, 2019 the number of filled positions for  
case managers and non-case managers in the division of developmental  
disabilities as of June 30, 2019. The department shall submit an  
expenditure plan of its staffing levels for review by the joint  
legislative budget committee if the department plans on hiring staff for  
non-case manager, non-case aide, non-case unit supervisor and non-case  
section manager positions above the staffing level indicated in the  
August 1, 2019 report.

Employment and rehabilitation services

The legislature intends that the combined number of children in  
child care assistance authorized pursuant to section 46-803, subsections D  
and F, Arizona Revised Statutes, be maintained throughout the year at a  
minimum of 8,500 children. The department of economic security shall  
prioritize child care assistance for families that qualify for assistance  
pursuant to section 46-803, subsection F, Arizona Revised Statutes, on the  
waiting lists established pursuant to section 46-803, subsection I,  
Arizona Revised Statutes.

All workforce investment act grant monies that are received by this  
state in excess of $56,044,500 are appropriated to the workforce  
investment act services line item. Before spending these increased  
monies, the department shall report the intended use of monies in excess  
of $56,044,500 to the joint legislative budget committee.

Departmentwide

The above appropriations are in addition to monies granted to this  
state by the federal government for the same purposes but are deemed to  
include the sums deposited in the state treasury to the credit of the  
department of economic security pursuant to section 42-5029, Arizona  
Revised Statutes.
The department of economic security shall forward to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee a monthly report comparing total expenditures for the month and year-to-date as compared to prior-year totals on or before the thirtieth of the following month. The report shall include an estimate of potential shortfalls in entitlement programs and potential federal and other monies, such as the statewide assessment for indirect costs, and any projected surplus in state-supported programs that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

Sec. 32. STATE BOARD OF EDUCATION

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $1,146,300 |

Sec. 33. SUPERINTENDENT OF PUBLIC INSTRUCTION

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $8,851,500 |
| Teacher certification fund | $133,800 |
| Department of education empowerment scholarship account fund | $1,246,100 |
| Department of education professional development revolving fund | $2,567,700 |
| Proposition 301 expenditure authority | $1,700,000 |

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

The amount appropriated for the department’s operating budget includes $500,000 for technical assistance and state-level administration of the K-3 reading program established pursuant to section 15-211, Arizona Revised Statutes.

Any monies available to the department of education pursuant to section 42-5029, subsection E, paragraph 8, Arizona Revised Statutes, for the failing schools tutoring fund established by section 15-241, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029, subsection E, paragraph 8, Arizona Revised Statutes.
Any monies available to the department of education pursuant to section 42-5029, subsection E, paragraph 6, Arizona Revised Statutes, for character education matching grants pursuant to section 15-154.01, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029, subsection E, paragraph 6, Arizona Revised Statutes.

Fund sources:

- Basic state aid $3,800,027,200
- State general fund $3,423,257,600
- Permanent state school fund 290,489,100
- Proposition 301 expenditure authority 86,280,500

The above appropriation provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated $290,489,100 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2019-2020.

Monies derived from the permanent state school fund and any other non-state general fund revenue source that is dedicated to fund basic state aid shall be spent, whenever possible, before spending state general fund monies.

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

Any monies available to the department of education pursuant to section 42-5029, subsection E, paragraph 5, Arizona Revised Statutes, for the increased cost of basic state aid due to added school days in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029, subsection E, paragraph 5, Arizona Revised Statutes.

The basic state aid appropriation for fiscal year 2019-2020 includes a state general fund increase of $164,700,000, which the legislature and governor intend to be used for teacher salary increases that are in addition to teacher salary increases provided for fiscal year 2018-2019.
Results-based funding $68,600,000
Special education fund $36,029,200
Other state aid to districts $983,900
Classroom site fund $602,511,600

Fund sources:
Proposition 301 expenditure authority $483,903,100
Proposition 301/classroom site fund land trust expenditure authority $103,550,100
Proposition 301/classroom site fund carryforward balance expenditure authority $15,058,400

Any monies available to the department of education for the classroom site fund pursuant to section 37-521, subsection B, paragraph 4 and section 42-5029, subsection E, paragraph 10, Arizona Revised Statutes, in excess of expenditure authority amounts are allocated for the purposes of section 37-521, subsection B, paragraph 4 and section 42-5029, subsection E, paragraph 10, Arizona Revised Statutes.

Instructional improvement fund $45,000,000

Fund sources:
Tribal gaming expenditure authority $45,000,000

Any monies available to the department of education from the instructional improvement fund established by section 15-979, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 15-979, Arizona Revised Statutes.

Additional state aid $426,944,900
Accountability and achievement testing $16,422,500

Fund sources:
State general fund $9,422,500
Proposition 301 fund $7,000,000

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

Any monies available to the department of education for accountability purposes pursuant to section 42-5029, subsection E, paragraph 7, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029, subsection E, paragraph 7, Arizona Revised Statutes.
Monies appropriated for career technical education district completion grants are intended to help fund program completion for students who complete at least fifty percent of a career technical education program before graduating from high school and who successfully complete the career technical education district program after graduating from high school. The department of education shall develop application procedures for the career technical education district completion grant program. The procedures shall award grant funding only after an eligible student has successfully completed a career technical education district program.

If the appropriated amount is insufficient to fund all grant requests from career technical education districts, the department of education shall reduce grant amounts on a proportional basis in order to cap total statewide allocations at $1,000,000.

The appropriated amount is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations through fiscal year 2020-2021.

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

Adult education $ 4,634,400
Fund sources:
State general fund $ 4,502,100
Department of education professional development revolving fund 132,300
Alternative teacher development program $ 500,000
Arizona structured English immersion fund 4,960,400
CTED completion grants 1,000,000

If the appropriated amount is insufficient to fund all grant requests from career technical education districts, the department of education shall reduce grant amounts on a proportional basis in order to cap total statewide allocations at $1,000,000.

The appropriated amount is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations through fiscal year 2020-2021.

CTED soft capital and equipment $ 1,000,000

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

College credit by examination incentive program $ 5,000,000
Computer science pilot program 1,000,000
Early literacy 12,000,000
Education learning and accountability system 5,300,000
English learner administration 6,509,500
The department of education shall use the appropriated amount to provide English language acquisition services for the purposes of section 15-756.07, Arizona Revised Statutes, and for the costs of providing English language proficiency assessments, scoring and ancillary materials as prescribed by the department of education to school districts and charter schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The department may use a portion of the appropriated amount to hire staff or contract with a third party to carry out the purposes of section 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona Revised Statutes, the superintendent of public instruction also may use a portion of the appropriated amount to contract with one or more private attorneys to provide legal services in connection with the case of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

Geographic literacy $100,000
The department of education shall use the appropriated amount to issue a grant to a statewide geographic alliance for strengthening geographic literacy in this state.

Jobs for Arizona graduates $100,000
The department of education shall use the appropriated amount to issue a grant to a nonprofit organization for a jobs for Arizona graduates program.

School safety program $31,946,900
Fund sources:
State general fund $24,146,900
Proposition 301 expenditure authority 7,800,000

Any monies available to the department of education for school safety pursuant to section 42-5029, subsection E, paragraph 6, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029, subsection E, paragraph 6, Arizona Revised Statutes.

State block grant for vocational education $11,576,300
Teacher certification $2,387,000
Fund sources:
State general fund $178,100
Teacher certification fund 2,208,900
Tribal college dual enrollment program $250,000
Fund sources:
Tribal college dual enrollment program fund $ 250,000

Total appropriation and expenditure authority — superintendent of public instruction $5,099,282,900

Fund sources:
State general fund $4,051,962,900
Proposition 301 fund 7,000,000
Permanent state school fund 290,489,100
Teacher certification fund 2,342,700
Tribal college dual enrollment program fund 250,000
Department of education empowerment scholarship account fund 1,246,100
Department of education professional development revolving fund 2,700,000
Expenditure authority 743,292,100

After review by the joint legislative budget committee, in fiscal year 2019-2020, the department of education may use a portion of its fiscal year 2019-2020 state general fund appropriations for basic state aid, additional state aid or the special education fund, to fund a shortfall in funding for basic state aid, additional state aid or the special education fund, if any, that occurred in fiscal year 2018-2019.

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

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

Sec. 34. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS 2019-20
FTE positions 63.1
Administration $ 1,694,200
Emergency management 730,900
Military affairs 1,339,800
Emergency management matching funds 1,543,300
National guard matching funds 1,700,000
National guard tuition reimbursement 1,000,000

Total appropriation — department of emergency and military affairs $ 8,008,200

Fund sources:
State general fund $ 8,008,200

The $1,700,000 national guard matching funds appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all fiscal year 2019-2020 monies remaining unexpended and unencumbered on December 31, 2020 revert to the state general fund.

Sec. 35. DEPARTMENT OF ENVIRONMENTAL QUALITY

FTE positions 322.0
Operating lump sum appropriation $ 45,589,900
Safe drinking water program 1,802,100
Emissions control contractor payment 21,119,500

Total appropriation — department of environmental quality $ 68,511,500

Fund sources:
Air quality fund $ 4,382,900
Emergency response fund 132,800
Emissions inspection fund 26,587,700
Hazardous waste management fund 1,742,400
Indirect cost recovery fund 13,524,900
Permit administration fund 7,146,800
Recycling fund 1,359,300
Safe drinking water program fund 1,802,100
Solid waste fee fund 1,245,800
Underground storage tank revolving fund 30,200
Water quality fee fund 10,556,600

Pursuant to section 49-282, Arizona Revised Statutes, the department of environmental quality shall submit a fiscal year 2020-2021 budget for the water quality assurance revolving fund before September 1, 2019, for review by the senate and house of representatives appropriations committees.
The department of environmental quality shall report annually on the progress of WQARF activities, including emergency response, priority site remediation, cost recovery activity, revenue and expenditure activity and other WQARF-funded program activity. The department shall submit the fiscal year 2019-2020 report to the joint legislative budget committee on or before September 1, 2019. This report shall also include a budget for the WQARF program that is developed in consultation with the WQARF advisory board. This budget shall specify the monies budgeted for each listed site during fiscal year 2019-2020. In addition, the department and the advisory board shall prepare and submit to the joint legislative budget committee, on or before October 1, 2019, a report in a table format summarizing the current progress on remediation of each listed site on the WQARF registry. The table shall include the stage of remediation for each site at the end of fiscal year 2018-2019, indicate whether the current stage of remediation is anticipated to be completed in fiscal year 2019-2020 and indicate the anticipated stage of remediation at each listed site at the end of fiscal year 2019-2020, assuming fiscal year 2019-2020 funding levels. The department and advisory board may include other relevant information about the listed sites in the table.

All permit administration fund monies received by the department of environmental quality in excess of $7,146,800 in fiscal year 2019-2020 are appropriated to the department. Before spending permit administration fund monies in excess of $7,146,800 in fiscal year 2019-2020, the department shall report the intended use of the monies to the joint legislative budget committee.

All indirect cost recovery fund monies received by the department of environmental quality in excess of $13,524,900 in fiscal year 2019-2020 are appropriated to the department. Before spending indirect cost recovery fund monies in excess of $13,524,900 in fiscal year 2019-2020, the department shall report the intended use of the monies to the joint legislative budget committee.

Sec. 36. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

<table>
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<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
- Personnel division fund | $190,700 |

Sec. 37. STATE BOARD OF EQUALIZATION

<table>
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<tr>
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<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
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</table>

Fund sources:
- State general fund | $652,000 |
### Sec. 38. BOARD OF EXECUTIVE CLEMENCY

#### 2019-20

<table>
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<th>FTE positions</th>
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<tr>
<td>Lump sum appropriation</td>
<td>$1,137,000</td>
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</table>

**Fund sources:**
- State general fund | $1,137,000

On or before November 1, 2019, the board of executive clemency shall report to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting the total number and types of cases the board reviewed in fiscal year 2018-2019.

### Sec. 39. ARIZONA EXPOSITION AND STATE FAIR BOARD

#### 2019-20

<table>
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<th>FTE positions</th>
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<tr>
<td>Lump sum appropriation</td>
<td>$13,204,900</td>
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**Fund sources:**
- Arizona exposition and state fair fund | $13,204,900

### Sec. 40. DEPARTMENT OF FINANCIAL INSTITUTIONS

#### 2019-20

<table>
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<th>FTE positions</th>
<th>73.1</th>
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<td>Lump sum appropriation</td>
<td>$5,985,400</td>
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</table>

**Fund sources:**
- State general fund | $1,984,800
- Financial services fund | 3,950,600
- Revolving fund | 50,000

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

### Sec. 41. ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT

#### 2019-20

<table>
<thead>
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<th>FTE positions</th>
<th>88.0</th>
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<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$3,084,300</td>
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<tr>
<td>Environmental county grants</td>
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<tr>
<td>Inmate firefighting crews</td>
<td>692,400</td>
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<tr>
<td>Postrelease firefighting crews</td>
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<tr>
<td>Fire suppression</td>
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<tr>
<td>Taylor fire training center</td>
<td>1,000,000*</td>
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<tr>
<td>State fire marshal</td>
<td>747,900</td>
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<tr>
<td>State fire school</td>
<td>172,600</td>
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<tr>
<td>Hazardous vegetation removal</td>
<td>3,000,000</td>
</tr>
</tbody>
</table>

**Total appropriation — Arizona department of forestry and fire management**

| $10,156,700 |

**Fund sources:**
- State general fund | $10,156,700
The appropriation for the hazardous vegetation removal line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2021.

The appropriation for the Taylor fire training center line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. Monies appropriated for the Taylor fire training center line item shall be distributed to the Navajo county community college district to fund a public safety and emergency services training facility, which must be available to both public and private entities for training.

Sec. 42. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

2019-20

| FTE positions | 4.0 |
| Operating lump sum appropriation | $368,400 |
| Retirement payout | $11,300 |

Total appropriation — state board of funeral directors and embalmers $379,700

Fund sources:

Board of funeral directors' and embalmers' fund $379,700

Sec. 43. ARIZONA GAME AND FISH DEPARTMENT

2019-20

| FTE positions | 273.5 |
| Operating lump sum appropriation | $39,694,600 |
| Pittman-Robertson/Dingell-Johnson act | $3,058,000 |

Total appropriation — Arizona game and fish department $42,752,600

Fund sources:

Capital improvement fund $1,001,200
Game and fish fund 36,558,300
Wildlife endowment fund 16,200
Watercraft licensing fund 4,829,700
Game, non-game, fish and endangered species fund 347,200

Sec. 44. DEPARTMENT OF GAMING

2019-20

| FTE positions | 155.8 |
| Operating lump sum appropriation | $9,124,700 |
| Arizona breeders' award | 250,000 |
Casino operations certification 2,091,300  
County fairs livestock and  
agriculture promotion 2,509,500  
Division of racing 2,253,100  
Problem gambling 2,290,600  
Total appropriation — department of gaming $18,519,200  

Fund sources:  
State general fund $2,509,500  
Tribal-state compact fund 2,091,300  
Arizona benefits fund 11,115,300  
State lottery fund 300,000  
Racing regulation fund 2,403,100  
Racing regulation fund — unarmed combat subaccount 100,000

The amount appropriated to the county fairs livestock and agriculture promotion line item is for deposit in the county fairs livestock and agriculture promotion fund established by section 5-113, Arizona Revised Statutes, and to be administered by the office of the governor.

Sec. 45. OFFICE OF THE GOVERNOR

2019-20  
Operating lump sum appropriation $7,038,800*  
Foster youth education success fund deposit 1,500,000  
Total appropriation — Office of the Governor $8,538,800  
Fund sources:  
State general fund $8,538,800  
Included in the lump sum appropriation of $7,038,800 for fiscal year 2019-2020 is $10,000 for the purchase of mementos and items for visiting officials.

Sec. 46. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

2019-20  
FTE positions 22.0  
Lump sum appropriation $2,672,100*  
Fund sources:  
State general fund $2,672,100

Sec. 47. DEPARTMENT OF HEALTH SERVICES

2019-20  
FTE positions 1,125.0  
Operating lump sum appropriation $49,438,700
<table>
<thead>
<tr>
<th></th>
<th>Public health/family health</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Adult cystic fibrosis care</td>
</tr>
<tr>
<td>2</td>
<td>AIDS reporting and surveillance</td>
</tr>
<tr>
<td>3</td>
<td>Alzheimer's disease research</td>
</tr>
<tr>
<td>4</td>
<td>Biomedical research support</td>
</tr>
<tr>
<td>5</td>
<td>Breast and cervical cancer and bone density screening</td>
</tr>
<tr>
<td>6</td>
<td>County tuberculosis provider care and control</td>
</tr>
<tr>
<td>7</td>
<td>Emergency medical services local allocation</td>
</tr>
<tr>
<td>8</td>
<td>Folic acid program</td>
</tr>
<tr>
<td>9</td>
<td>High-risk perinatal services</td>
</tr>
<tr>
<td>10</td>
<td>Homeless pregnant women services</td>
</tr>
<tr>
<td>11</td>
<td>Newborn screening program</td>
</tr>
<tr>
<td>12</td>
<td>Nonrenal disease management</td>
</tr>
<tr>
<td>13</td>
<td>Poison control centers funding</td>
</tr>
<tr>
<td>14</td>
<td>Public health emergencies fund deposit</td>
</tr>
<tr>
<td>15</td>
<td>Radiation regulation</td>
</tr>
<tr>
<td>16</td>
<td>Renal dental care and nutrition supplements</td>
</tr>
<tr>
<td>17</td>
<td>Renal transplant drugs</td>
</tr>
<tr>
<td>18</td>
<td>State loan repayment program</td>
</tr>
<tr>
<td>19</td>
<td>Arizona state hospital — operating</td>
</tr>
<tr>
<td>20</td>
<td>Arizona state hospital — restoration to competency</td>
</tr>
<tr>
<td>21</td>
<td>Arizona state hospital — sexually violent persons</td>
</tr>
<tr>
<td></td>
<td>Total appropriation — department of health services</td>
</tr>
</tbody>
</table>

Fund sources:

|    | State general fund                                                                       | $ 90,787,800 |
|    | Arizona state hospital fund                                                               | 2,590,300   |
| 37 | Arizona state hospital land fund                                                          | 650,000     |
| 38 | Child fatality review fund                                                                | 95,700      |
| 39 | Disease control research fund                                                             | 1,000,000   |
Public health/family health
The department of health services may use up to four percent of the amount appropriated for nonrenal disease management for the administrative costs to implement the program.

Of the $3,125,000 for Alzheimer's disease research, $3,000,000 is from the tobacco tax and health care fund — health research account established by section 36-773, Arizona Revised Statutes.

The department of health services shall distribute monies appropriated for homeless pregnant women services to nonprofit organizations that are located in a county with a population of more than three million persons and whose primary function is to provide shelter, food, clothing and transportation for health services and support to homeless pregnant women and their children who are under the age of one year. Monies may not be granted for abortion referral services or distributed to entities that promote, refer or perform abortions.

The department of health services shall distribute monies appropriated for the biomedical research support line item to a nonprofit medical research institute headquartered in this state that specializes in biomedical research focusing on applying genomic technologies and sequencing to clinical care, that has served as a resource to this state to conduct molecular epidemiologic analyses to assist with disease outbreak investigations and that collaborates with universities, hospitals and health science research centers and other public and private bioscience and related industries in this state. The recipient of these monies shall commission an audit of the expenditure of these monies and
shall submit a copy of the audit to the department of health services on or before February 1, 2021.

The department of health services shall distribute monies appropriated for Alzheimer's disease research through a grant to a charitable organization that is qualified under section 501(c)(3) of the internal revenue code and that meets the following criteria:

1. Is headquartered in this state.
2. Has been operating in this state for at least the last ten years.
3. Has participating member institutions that work together to end Alzheimer's disease within a statewide collaborative model by using their complementary strengths in brain imaging, computer science, genomics, basic and cognitive neurosciences and clinical and neuropathology research.
4. Has participating member institutions that educate residents of this state about Alzheimer's disease, research progress and resources to help patients, families and professionals manage the disease.

The terms of the grant made to the charitable organization may not impose any requirements that were not imposed in prior grant agreements entered into between the department of health services and the charitable organization.

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

Departmentwide
The department of health services shall electronically forward to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee a monthly report comparing total expenditures for the month and year-to-date as compared to prior-year totals on or before the thirtieth of the following month. The report shall include an estimate of potential shortfalls in programs, potential federal and other monies, such as the statewide assessment for indirect costs, that may be available to offset these shortfalls, and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

Sec. 4B. ARIZONA HISTORICAL SOCIETY

<table>
<thead>
<tr>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
</tbody>
</table>
Field services and grants $65,900
Papago park museum $539,800
Total appropriation – Arizona historical society $3,075,000

Fund sources:
State general fund $3,075,000

Sec. 49. PRESCOTT HISTORICAL SOCIETY

2019-20
FTE positions 13.0
Lump sum appropriation $832,700

Fund sources:
State general fund $832,700

Sec. 50. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

2019-20
FTE positions 1.0
Lump sum appropriation $40,200

Fund sources:
Board of homeopathic and
integrated medicine
examiners' fund $40,200

Sec. 51. ARIZONA DEPARTMENT OF HOUSING

2019-20
FTE positions 3.0
Operating lump sum appropriation $322,200
Housing trust fund deposit $15,000,000
Total appropriation – Arizona department of housing $15,322,200

Fund sources:
State general fund $15,000,000
Housing trust fund $322,200

Of the amount appropriated for the housing trust fund deposit line item, $3,500,000 shall be spent on constructing or renovating facilities and on housing assistance, including support services, for persons who have been determined to be seriously mentally ill and to be chronically resistant to treatment.

Sec. 52. INDUSTRIAL COMMISSION OF ARIZONA

2019-20
FTE positions 235.6
Lump sum appropriation $20,001,800

Fund sources:
Administrative fund $20,001,800
Sec. 53. DEPARTMENT OF INSURANCE

FTE positions 72.3
Lump sum appropriation $ 5,628,400
Fund sources:
State general fund $ 5,628,400

Sec. 54. ARIZONA JUDICIARY

Supreme court
FTE positions 183.0
Operating lump sum appropriation $ 15,198,300
Automation 20,132,000
County reimbursements 187,900
Court appointed special advocate 3,517,400
Courthouse security 750,000
Domestic relations 639,900
State foster care review board 3,260,800
Commission on judicial conduct 521,300
Judicial nominations and performance review 542,000
Model court 438,500
State aid 5,661,200
Total appropriation — supreme court $ 50,849,300
Fund sources:
State general fund $ 20,422,400
Confidential intermediary and fiduciary fund 491,300
Court appointed special advocate fund 3,597,700
Criminal justice enhancement fund 4,384,500
Defensive driving school fund 4,208,200
Judicial collection enhancement fund 14,800,000
State aid to the courts fund 2,945,200

On or before September 1, 2019, the supreme court shall report to the joint legislative budget committee and the governor’s office of strategic planning and budgeting on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects that receive or are anticipated to receive state monies in the current or next two fiscal years as well as a description of each project, the number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multiyear cost
by fund source and budget line item, including any prior-year, current-year and future-year expenditures.

Automation expenses of the judiciary shall be funded only from the automation line item. Monies in the operating lump sum appropriation or other line items intended for automation purposes shall be transferred to the automation line item before expenditure.

Included in the operating lump sum appropriation for the supreme court is $1,000 for the purchase of mementos and items for visiting officials.

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

Included in the total appropriation for the supreme court in fiscal year 2019-2020 is $477,500 for state court employee salary increases. The legislature intends that this amount will not be annualized in future years.

Court of appeals

| FTE positions | 136.8 |
| Division one  | $11,526,400 |
| Division two  | 5,140,800 |
| Total appropriation – court of appeals | $16,667,200 |

Fund sources:

| State general fund | $16,667,200 |

Of the 136.8 FTE positions for fiscal year 2019-2020, 98.3 FTE positions are for division one and 38.5 FTE positions are for division two.

Included in the total appropriation for the court of appeals in fiscal year 2019-2020 is $411,100 for state court employee salary increases. The legislature intends that this amount will not be annualized in future years.

Superior court

| FTE positions | 235.5 |
| Operating lump sum appropriation | $4,363,300 |
| Judges' compensation | 17,650,200 |
| Centralized service payments | 3,573,600 |
| Adult standard probation | 20,241,900 |
| Adult intensive probation | 11,620,300 |
| Community punishment | 2,310,300 |
| Court-ordered removals | 315,000 |
| Interstate compact | 478,600 |
| Drug court | 1,036,400 |
| Juvenile standard probation | 3,704,600 |
Juvenile intensive probation 5,682,000
Juvenile treatment services 20,148,000
Juvenile family counseling 500,000
Juvenile crime reduction 3,311,500
Juvenile diversion consequences 8,609,000
Special water master 489,500

Total appropriation – superior court $104,034,200

Fund sources:
State general fund $ 92,076,100
Criminal justice enhancement fund 5,440,000
Drug treatment and education fund 502,900
Judicial collection enhancement fund 6,015,200

Operating budget
All expenditures made by the administrative office of the courts for the administration of superior court line items shall be funded only from the superior court operating budget. Monies in superior court line items intended for this purpose shall be transferred to the superior court operating budget before expenditure.

Included in the total appropriation for the superior court in fiscal year 2019-2020 is $257,800 for state court employee salary increases. The legislature intends that this amount will not be annualized in future years.

Judges
Of the 235.5 FTE positions, 180 FTE positions represent superior court judges. One-half of those judges' salaries in counties with a population of less than two million persons and one-quarter of those judges' salaries in a county with a population of at least two million persons are provided by state general fund appropriations pursuant to section 12-128, Arizona Revised Statutes. This FTE position clarification does not limit the counties' ability to add judges pursuant to section 12-121, Arizona Revised Statutes.

All monies in the judges' compensation line item shall be used to pay for the fifty percent or twenty-five percent state share of superior court judges' salaries, elected officials' retirement plan costs and related state benefit costs for judges pursuant to section 12-128, Arizona Revised Statutes. Monies in the operating lump sum appropriation or other line items intended for this purpose shall be transferred to the judges' compensation line item before expenditure.

Probation
Monies appropriated to juvenile treatment services and juvenile diversion consequences shall be deposited in the juvenile probation services fund established by section 8-322, Arizona Revised Statutes.
Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2003-2004 expenditure levels for each probation program. State probation monies are not intended to supplant county dollars for probation programs.

On or before November 1, 2019, the administrative office of the courts shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting the fiscal year 2018-2019 actual, fiscal year 2019-2020 estimated and fiscal year 2020-2021 requested amounts for each of the following:

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

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

All centralized service payments made by the administrative office of the courts on behalf of counties shall be funded only from the centralized service payments line item. Centralized service payments include only training, motor vehicle payments, CORP review board funding, LEARN funding, research, operational reviews and GPS vendor payments. This footnote does not apply to treatment or counseling services payments made from the juvenile treatment services and juvenile diversion consequences line items. Monies in the operating lump sum appropriation or other line items intended for centralized service payments shall be transferred to the centralized service payments line item before expenditure.

All monies in the adult standard probation, adult intensive probation, community punishment, interstate compact, juvenile standard probation, juvenile intensive probation, juvenile treatment services, juvenile diversion consequences and juvenile crime reduction line items shall be used only as pass-through monies to county probation departments. Monies in the operating lump sum appropriation or other line items intended as pass-through for the purpose of administering a county probation program shall be transferred to the appropriate probation line item before expenditure.

On or before November 1, 2019, the administrative office of the courts shall submit a report for review by the joint legislative budget committee on the county-approved salary adjustments provided to probation officers since the last report on February 1, 2019. The report shall include, for each county, the:
1. Approved percentage salary increase by year.
2. Net increase in the amount allocated to each probation department by the administrative office of the courts for each applicable year.
3. Average number of probation officers by applicable year.
4. Average salary of probation officers for each applicable year.

**Sec. 55. DEPARTMENT OF JUVENILE CORRECTIONS**

**2019-20**

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>738.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$40,391,900</td>
</tr>
</tbody>
</table>

**Fund sources:**

- State general fund: $33,994,500
- State charitable, penal and reformatory institutions land fund: $4,011,600
- Criminal justice enhancement fund: $531,400
- State education fund for committed youth: $1,854,400

Twenty-five percent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the department of juvenile corrections, in compliance with section 25 of the enabling act and the Constitution of Arizona, to be used to support state juvenile institutions and reformatories.

**Sec. 56. STATE LAND DEPARTMENT**

**2019-20**

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>129.7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$16,168,700</td>
</tr>
<tr>
<td>Natural resource conservation districts</td>
<td>$650,000</td>
</tr>
<tr>
<td>CAP user fees</td>
<td>$1,315,200</td>
</tr>
<tr>
<td>Due diligence fund deposit</td>
<td>$500,000</td>
</tr>
<tr>
<td>Fire suppression</td>
<td>$800,000</td>
</tr>
<tr>
<td>Streambed navigability litigation</td>
<td>$220,000</td>
</tr>
</tbody>
</table>

**Total appropriation — state land department**

| $19,653,900 |

**Fund sources:**

- State general fund: $11,605,100
- Environmental special plate fund: $260,600
- Due diligence fund: $500,000
- Trust land management fund: $7,288,200

The appropriation includes $1,315,200 for CAP user fees in fiscal year 2019-2020. For fiscal year 2019-2020, from municipalities that assume their allocation of central Arizona project water for every dollar received as reimbursement to the state for past central Arizona water conservation district payments, $1 reverts to the state general fund in the year that the reimbursement is collected.
Of the amount appropriated for natural resource conservation districts in fiscal year 2019-2020, $30,000 shall be used to provide grants to natural resource conservation district environmental education centers.

Sec. 57. LEGISLATURE

2019-20

Senate
- Lump sum appropriation $12,922,200*

Fund sources:
- State general fund $12,922,200

Included in the lump sum appropriation of $12,922,200 for fiscal year 2019-2020 is $1,000 for the purchase of mementos and items for visiting officials.

House of representatives
- Lump sum appropriation $16,335,000*

Fund sources:
- State general fund $16,335,000

Included in the lump sum appropriation of $16,335,000 for fiscal year 2019-2020 is $1,000 for the purchase of mementos and items for visiting officials.

Legislative council
- FTE positions 55.0
- Operating lump sum appropriation $7,933,600
- Ombudsman-citizens aide office 871,300

Total appropriation — legislative council $8,804,900*

Fund sources:
- State general fund $8,804,900

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

The legislature intends that the ombudsman-citizens aide prioritize investigating and processing complaints relating to the department of child safety.

Joint legislative budget committee
- FTE positions 29.0
- Lump sum appropriation $2,829,800*

Fund sources:
- State general fund $2,829,800

Auditor general
- FTE positions 190.8
- Lump sum appropriation $19,124,100*

Fund sources:
- State general fund $19,124,100
Monies and FTE positions appropriated to the auditor general for fiscal year 2019-2020 by Laws 2018, chapter 276, section 55 are continuing appropriations and are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 58. DEPARTMENT OF LIQUOR LICENSES AND CONTROL 2019-20

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>45.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$3,267,300</td>
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</tbody>
</table>

Fund sources:

| Liquor licenses fund | $3,267,300 |

Sec. 59. ARIZONA STATE LOTTERY COMMISSION 2019-20

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>98.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$9,202,400</td>
</tr>
<tr>
<td>Advertising</td>
<td>$15,600,000</td>
</tr>
</tbody>
</table>

Total appropriation — Arizona state lottery commission $24,702,400

Fund source:

| State lottery fund | $24,702,400 |

An amount equal to twenty percent of tab ticket sales is appropriated to pay sales commissions to charitable organizations. This amount is currently estimated to be $1,728,200 in fiscal year 2019-2020.

An amount equal to 3.6 percent of actual instant ticket sales is appropriated to print instant tickets or to pay contractual obligations concerning instant ticket distribution. This amount is currently estimated to be $31,060,100 in fiscal year 2019-2020.

An amount equal to a percentage of actual online game sales as determined by contract is appropriated to pay online vendor fees. This amount is currently estimated to be $11,009,400, or 4.256 percent of actual online ticket sales, in fiscal year 2019-2020.

An amount equal to 6.5 percent of gross lottery game sales, minus charitable tab tickets, is appropriated to pay sales commissions to ticket retailers. An additional amount not to exceed 0.5 percent of gross lottery game sales is appropriated to pay sales commissions to ticket retailers. The combined amount is currently estimated to be 6.7 percent of total ticket sales, or $78,287,000, in fiscal year 2019-2020.

Sec. 60. BOARD OF MASSAGE THERAPY 2019-20

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>5.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$460,900</td>
</tr>
</tbody>
</table>

Fund sources:

| Board of massage therapy fund | $460,900 |
Sec. 61. ARIZONA MEDICAL BOARD

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FTE positions</td>
<td>61.5</td>
</tr>
<tr>
<td>2</td>
<td>Operating lump sum appropriation</td>
<td>$ 6,822,100</td>
</tr>
<tr>
<td>3</td>
<td>Employee performance incentive program</td>
<td>$ 165,000</td>
</tr>
<tr>
<td>4</td>
<td>Total appropriation — Arizona medical board</td>
<td>$ 6,987,100</td>
</tr>
<tr>
<td>5</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Arizona medical board fund</td>
<td>$ 6,987,100</td>
</tr>
</tbody>
</table>

Sec. 62. STATE MINE INSPECTOR

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FTE positions</td>
<td>14.0</td>
</tr>
<tr>
<td>2</td>
<td>Operating lump sum appropriation</td>
<td>$ 1,061,100</td>
</tr>
<tr>
<td>3</td>
<td>Abandoned mines</td>
<td>$ 194,700</td>
</tr>
<tr>
<td>4</td>
<td>Aggregate mining land reclamation</td>
<td>$ 112,900</td>
</tr>
<tr>
<td>5</td>
<td>Total appropriation — state mine inspector</td>
<td>$ 1,368,700</td>
</tr>
<tr>
<td>6</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>State general fund</td>
<td>$ 1,255,800</td>
</tr>
<tr>
<td>8</td>
<td>Aggregate mining reclamation fund</td>
<td>$ 112,900</td>
</tr>
</tbody>
</table>

All aggregate mining reclamation fund monies received by the state mine inspector in excess of $112,900 in fiscal year 2019-2020 are appropriated to the aggregate mining land reclamation line item. Before spending any aggregate mining reclamation fund monies in excess of $112,900 in fiscal year 2019-2020, the state mine inspector shall report the intended use of the monies to the joint legislative budget committee and the governor's office of strategic planning and budgeting.

Sec. 63. NATUROPATHIC PHYSICIANS MEDICAL BOARD

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FTE positions</td>
<td>2.0</td>
</tr>
<tr>
<td>2</td>
<td>Lump sum appropriation</td>
<td>$ 187,400</td>
</tr>
<tr>
<td>3</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Naturopathic physicians medical board fund</td>
<td>$ 187,400</td>
</tr>
</tbody>
</table>

Sec. 64. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>FTE positions</td>
<td>2.0</td>
</tr>
<tr>
<td>2</td>
<td>Lump sum appropriation</td>
<td>$ 327,400</td>
</tr>
<tr>
<td>3</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>State general fund</td>
<td>$ 127,400</td>
</tr>
<tr>
<td>5</td>
<td>Arizona water banking fund</td>
<td>$ 200,000</td>
</tr>
</tbody>
</table>
H.B. 2747

1. **Sec. 65. ARIZONA STATE BOARD OF NURSING**
   
   **FTE positions**: 48.5
   
   Operating lump sum appropriation: $4,201,500
   
   Certified nursing assistant credentialing program: $536,700
   
   **Total appropriation — Arizona state board of nursing**: $4,738,200
   
   **Fund sources**: Board of nursing fund: $4,738,200

2. **Sec. 66. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ASSISTED LIVING FACILITY MANAGERS**
   
   **FTE positions**: 6.0
   
   Lump sum appropriation: $443,600
   
   **Fund sources**: Nursing care institution administrators' licensing and assisted living facility managers' certification fund: $443,600

3. **Sec. 67. BOARD OF OCCUPATIONAL THERAPY EXAMINERS**
   
   **FTE positions**: 1.5
   
   Lump sum appropriation: $197,200
   
   **Fund sources**: Occupational therapy fund: $197,200

4. **Sec. 68. STATE BOARD OF DISPENSING OPTICIANS**
   
   **FTE positions**: 1.0
   
   Lump sum appropriation: $149,100
   
   **Fund sources**: Board of dispensing opticians fund: $149,100

5. **Sec. 69. STATE BOARD OF OPTOMETRY**
   
   **FTE positions**: 2.0
   
   Lump sum appropriation: $233,800
   
   **Fund sources**: Board of optometry fund: $233,800

6. **Sec. 70. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY**
   
   **FTE positions**: 8.0
   
   Lump sum appropriation: $997,200
Fund sources:

Arizona board of osteopathic examiners in medicine and surgery fund $ 997,200

Sec. 71. ARIZONA STATE PARKS BOARD

FTE positions 163.0
Operating lump sum appropriation $ 13,217,800
Arizona trail 250,000
Great western trail 692,100
Kartchner caverns state park 2,245,700

Total appropriation — Arizona state parks board $ 16,405,600

Fund sources:
State parks revenue fund $ 15,713,500
Off-highway vehicle recreation fund 692,100

All other operating expenditures include $26,000 from the state parks revenue fund for Fool Hollow state park revenue sharing. If receipts to Fool Hollow exceed $260,000 in fiscal year 2019-2020, an additional ten percent of this increase of Fool Hollow receipts is appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, to meet the revenue sharing agreement with the city of Show Low and the United States forest service.

The appropriation for the Arizona trail line item shall be used to employ youth conservation corps members to maintain the Arizona trail. Before spending any monies appropriated in fiscal year 2019-2020 for the Arizona trail line item, the board shall submit an expenditure plan for review by the joint legislative budget committee.

Sec. 72. STATE PERSONNEL BOARD

FTE positions 3.0
Lump sum appropriation $ 361,000

Fund sources:
Personnel division fund – personnel board subaccount $ 361,000

Sec. 73. ARIZONA STATE BOARD OF PHARMACY

FTE positions 22.4
Operating lump sum appropriation $ 2,592,200
Prescriber report card 50,000

Total appropriation — Arizona state board of pharmacy $ 2,642,200
Sec. 74. BOARD OF PHYSICAL THERAPY  
2019-20  
FTE positions  4.0  
Lump sum appropriation $  494,600  
Fund sources:  
Board of physical therapy fund $  494,600  

Sec. 75. ARIZONA PIONEERS’ HOME  
2019-20  
FTE positions  106.3  
Operating lump sum appropriation $  6,352,200  
Presetion drugs $  200,000  
Total appropriation — Arizona pioneers' home $  6,552,200  
Fund sources:  
Miners' hospital for miners with disabilities land fund $  2,047,000  
State charitable fund $  4,505,200  

Earnings on state lands and interest on the investment of the permanent land funds are appropriated for the Arizona pioneers’ home and the state hospital for miners with disabilities in compliance with the enabling act and the Constitution of Arizona.  

Sec. 76. STATE BOARD OF PODIATRY EXAMINERS  
2019-20  
FTE positions  1.0  
Lump sum appropriation $  161,900  
Fund sources:  
Podiartry fund $  161,900  

Sec. 77. COMMISSION FOR POSTSECONDARY EDUCATION  
2019-20  
FTE positions  5.0  
Operating lump sum appropriation $  220,800  
Leveraging educational assistance partnership (LEAP) $  2,319,500  
Arizona college and career guide $  21,300  
Arizona teacher student loan program $  426,000  
Arizona minority educational policy analysis center $  100,000  
Twelve plus partnership $  130,500  
Total appropriation — commission for postsecondary education $  3,218,100
Fund sources:

State general fund $ 1,680,900
Postsecondary education fund 1,537,200

In order to be eligible to receive state matching monies under the leveraging educational assistance partnership for grants to students, each participating institution, public or private, shall provide an amount of institutional matching monies that equals the amount of monies provided by this state to the institution for the leveraging educational assistance partnership. Administrative expenses incurred by the commission for postsecondary education shall be paid from institutional matching monies and may not exceed twelve percent of the monies in fiscal year 2019-2020.

Any unencumbered balance remaining in the postsecondary education fund established by section 15-1853, Arizona Revised Statutes, on June 30, 2019, and all grant monies and other revenues received by the commission for postsecondary education, when paid into the state treasury, are appropriated for the specific purposes designated by line items and for additional responsibilities prescribed in sections 15-1851 and 15-1852, Arizona Revised Statutes.

The appropriations for the Arizona college and career guide, Arizona minority educational policy analysis center and twelve plus partnership are estimates representing all monies distributed to these programs, including balance forward, revenue and transfers, during fiscal year 2019-2020. The appropriations shall be adjusted as necessary to reflect actual final monies credited to the postsecondary education fund.

Sec. 78. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

FTE positions 4.0
Lump sum appropriation $ 417,800

Fund sources:
Board for private postsecondary education fund $ 417,800

Sec. 79. STATE BOARD OF PSYCHOLOGIST EXAMINERS

FTE positions 4.0
Lump sum appropriation $ 507,000

Fund sources:
Board of psychologist examiners fund $ 507,000

Sec. 80. DEPARTMENT OF PUBLIC SAFETY

FTE positions 2,014.7
Operating lump sum appropriation $258,613,500
ACTIC 1,450,000
Border strike task force ongoing 7,102,500
Border strike task force  
   local support  1,261,700  
Civil air patrol  150,000  
GIITEM  22,410,800  
GIITEM subaccount  2,395,800  
Motor vehicle fuel  5,454,600  
Peace officer training equipment  1,047,500  
Pharmaceutical diversion and  
   drug theft task force  559,500  
Public safety equipment  2,890,000  
Total appropriation — department of public  
safety  $303,335,900  

Fund sources:  
State general fund  $ 65,190,800  
State highway fund  318,200  
Arizona highway patrol fund  193,106,400  
State aid to indigent defense fund  700,000  
Criminal justice enhancement fund  2,927,300  
Safety enforcement and transportation  
   infrastructure fund — department  
   of public safety subaccount  1,643,500  
Department of public safety  
   forensics fund  22,495,800  
Gang and immigration intelligence  
   team enforcement mission border  
   security and law enforcement  
   subaccount  2,540,700  
Motorcycle safety fund  205,000  
Motor vehicle liability insurance  
   enforcement fund  1,250,000  
Risk management revolving fund  1,345,300  
Parity compensation fund  3,451,500  
Peace officer training equipment fund  1,047,500  
Public safety equipment fund  2,893,700  
Concealed weapons permit fund  2,717,700  
Fingerprint clearance card fund  1,502,500  

Of the $22,410,800 appropriated to the GIITEM line item, $10,356,900  
shall be used for one hundred department of public safety GIITEM  
personnel. The additional staff shall include at least fifty sworn  
department of public safety positions to be used for immigration  
enforcement and border security and fifty department of public safety  
positions to assist GIITEM in various efforts, including:  
1. Strictly enforcing all federal laws relating to illegal aliens  
   and arresting illegal aliens.
2. Responding to or assisting any county sheriff or attorney in investigating complaints of employment of illegal aliens.

3. Enforcing Arizona's law known as the Legal Arizona Workers Act, strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law Enforcement and Safe Neighborhoods Act" and investigating crimes of identity theft in the context of hiring illegal aliens and the unlawful entry into this country.

4. Taking strict enforcement action.

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

Of the $22,410,800 appropriated to the GIITEM line item, only $1,403,400 is deposited in the GIITEM fund established by section 41-1724, Arizona Revised Statutes, and is appropriated for the purposes of that section. The $1,403,400 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. This state recognizes that states have inherent authority to arrest a person for any immigration violation.

Any monies remaining in the department of public safety joint account on June 30, 2020 revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

On or before September 1, 2019, the department of public safety shall submit an expenditure plan for the border strike task force local support line item to the joint legislature budget committee and the governor's office of strategic planning and budgeting.

Of the $1,261,700 appropriated for the border strike task force local support line item, $761,700 shall be used to fund local law enforcement officer positions within the border strike task force. Any city, town, county or other entity that enters into an agreement with the department to participate in the border strike task force shall provide at least twenty-five percent of the cost of the services, and the department shall provide not more than seventy-five percent of personal services and employee-related expenditures for each agreement or contract. The department may fund all capital-related equipment.

Of the $1,261,700 appropriated for the border strike task force local support line item, $500,000 shall be used for grants to cities, towns or counties for costs associated with prosecuting and imprisoning individuals charged with drug trafficking, human smuggling, illegal immigration and other border-related crimes.
Before spending any monies appropriated in fiscal year 2019-2020 for the peace officer training equipment line item, the department shall submit an expenditure plan for this line item for review by the joint legislative budget committee.

Sec. 81. STATE REAL ESTATE DEPARTMENT

<table>
<thead>
<tr>
<th>2019-20</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Lump sum appropriation</td>
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|  
| Fund sources: |
| State general fund | $ 2,911,700 |

Sec. 82. RESIDENTIAL UTILITY CONSUMER OFFICE

<table>
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<tr>
<th>2019-20</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Professional witnesses</td>
</tr>
</tbody>
</table>

Total appropriation — residential utility consumer office $ 1,342,600

|  
| Fund sources: |
| Residential utility consumer office revolving fund | $ 1,342,600 |

Sec. 83. BOARD OF RESPIRATORY CARE EXAMINERS

<table>
<thead>
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<th>2019-20</th>
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<tr>
<td>FTE positions</td>
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<tr>
<td>Lump sum appropriation</td>
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</tbody>
</table>

|  
| Fund sources: |
| Board of respiratory care examiners fund | $ 314,400 |

Sec. 84. ARIZONA STATE RETIREMENT SYSTEM

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<tr>
<th>2019-20</th>
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<tr>
<td>FTE positions</td>
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<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

|  
| Fund sources: |
| Arizona state retirement system administration account | $ 22,330,300 |
| Long-term disability trust fund administration account | 1,800,000 |

Sec. 85. DEPARTMENT OF REVENUE

<table>
<thead>
<tr>
<th>2019-20</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>BRITS operational support</td>
</tr>
<tr>
<td>Unclaimed property administration and audit</td>
</tr>
</tbody>
</table>
TPT simplification 982,500
Tax fraud prevention 3,150,000
Total appropriation — department of revenue $ 78,412,300

Fund sources:
State general fund $ 31,063,800
Department of revenue administrative fund 45,864,200
Liability setoff program revolving fund 802,800
Tobacco tax and health care fund 681,500

If the total value of properties retained by unclaimed property contract auditors exceeds $1,368,800, the excess amount is transferred from the state general fund to the department of revenue administrative fund established by section 42-1116.01, Arizona Revised Statutes, and appropriated to the department for contract auditor fees.

The department shall report the department's general fund revenue enforcement goals for fiscal year 2019-2020 to the joint legislative budget committee on or before September 30, 2019. On or before September 30, 2019, the department shall provide an annual progress report to the joint legislative budget committee as to the effectiveness of the department's overall enforcement and collections program for fiscal year 2018-2019, and on or before September 30, 2020, the department shall provide an annual progress report to the joint legislative budget committee as to the effectiveness of the department's overall enforcement and collections program for fiscal year 2019-2020. The reports shall include a comparison of projected and actual state general fund, total state tax, total county tax and total municipal tax revenue enforcement collections for fiscal year 2018-2019 and fiscal year 2019-2020, including the amount of projected and actual enforcement collections for all tax types. The reports shall also include the total number of transaction privilege tax delinquent accounts, the total dollar value of those accounts classified by age of account and the total dollar amount of delinquent account write-offs determined to be uncollectible for fiscal year 2018-2019.

The department may not transfer any monies to or from the tax fraud prevention line item without prior review by the joint legislative budget committee.

The operating lump sum appropriation includes $2,000,000 and 25 FTE positions for additional audit and collections staff.

On or before November 1, 2019, the department shall report the results of private fraud prevention investigation services during fiscal year 2018-2019 to the joint legislative budget committee. The report shall include the total number of fraudulent returns prevented and the total dollar amount of fraudulent returns prevented during fiscal year 2018-2019.
Sec. 86. SCHOOL FACILITIES BOARD

| FTE positions | 17.0 |
| Operating lump sum appropriation | $1,700,700 |
| New school facilities debt service | 131,870,500 |
| Building renewal grants | 79,458,800 |
| New school facilities | 75,875,800 |

Total appropriation – school facilities board $288,905,800

Fund sources:

- State general fund $288,905,800

Pursuant to section 35-142.01, Arizona Revised Statutes, any reimbursement received by or allocated to the school facilities board under the federal qualified school construction bond program in fiscal year 2019-2020 shall be deposited in or revert to the state general fund. At least thirty days before any monies are transferred out of the new school facilities debt service line item, the school facilities board shall report the proposed transfer to the director of the joint legislative budget committee.

Pursuant to section 15-2041, Arizona Revised Statutes, the amount appropriated for new school facilities shall be used only for facilities and land costs for school districts that received final approval from the school facilities board on or before September 1, 2019.

Sec. 87. DEPARTMENT OF STATE - SECRETARY OF STATE

| FTE positions | 143.1 |
| Operating lump sum appropriation | $12,483,300 |
| Presidential preference election | 4,408,100 |
| Library grants-in-aid | 651,400 |
| Statewide radio reading service for the blind | 97,000 |
| Uniform state laws commission | 100,000 |

Total appropriation – department of state - secretary of state $17,739,800

Fund sources:

- State general fund $16,995,400
- Records services fund 744,400

Included in the operating lump sum appropriation of $12,483,300 for fiscal year 2019-2020 is $5,000 for the purchase of mementos and items for visiting officials.
1. **Sec. 88. STATE BOARD OF TAX APPEALS**

   - **FTE positions**: 4.0
   - **Lump sum appropriation**: $280,400

   **Fund sources**:
   - **State general fund**: $280,400

2. **Sec. 89. STATE BOARD OF TECHNICAL REGISTRATION**

   - **FTE positions**: 25.0
   - **Lump sum appropriation**: $2,189,700

   **Fund sources**:
   - **Technical registration fund**: $2,189,700

3. **Sec. 90. OFFICE OF TOURISM**

   - **FTE positions**: 28.0
   - **Tourism fund deposit**: $7,112,000
   - **Arizona promotion**: $1,000,000
   - **Wine promotion**: $100,000

   **Total appropriation – office of tourism**: $8,212,000

   **Fund sources**:
   - **State general fund**: $8,212,000

4. **Sec. 91. DEPARTMENT OF TRANSPORTATION**

   - **FTE positions**: 4,554.0
   - **Operating lump sum appropriation**: $205,693,000
   - **Attorney general legal services**: $3,623,700
   - **Highway maintenance**: $141,493,000
   - **Vehicles and heavy equipment**: $18,609,300
   - **Driver safety and livestock control**: $800,000
   - **Vehicle replacement**: $15,300,000
   - **Highway damage recovery account**: $8,000,000
   - **Preventive surface treatments**: $36,142,000
   - **Authorized third parties**: $2,013,700

   **Total appropriation – department of transportation**: $431,674,700

   **Fund sources**:
   - **Air quality fund**: $324,100
   - **Arizona highway user revenue fund**: $654,400
   - **Highway damage recovery account**: $8,000,000
   - **Ignition interlock device fund**: $320,000
Motor vehicle liability
insurance enforcement fund 2,672,100

Safety enforcement and
transportation infrastructure
fund – department of
transportation subaccount 882,000

State aviation fund 2,007,000
State highway fund 396,143,200
Transportation department
equipment fund 18,609,300
Vehicle inspection and certificate
of title enforcement fund 2,062,600

Motor vehicle division

The legislature intends that the department of transportation not include any administrative overhead expenditures in duplicate driver license fees charged to the public.

The department shall submit an annual report to the joint legislative budget committee on progress in improving motor vehicle division wait times and vehicle registration renewal by mail turnaround times in a format similar to prior years. The report is due on or before July 31, 2020 for fiscal year 2019-2020.

The department of transportation shall contract with an independent third-party consultant for the duration of the motor vehicle division legacy system replacement project. On or before February 1, 2020, the independent third-party consultant shall submit an annual progress report for review by the joint legislative budget committee. The annual report shall:

1. Evaluate and assess the project's success in meeting and incorporating the tenets of the project investment justification, including the goals and objectives, technology approach, deliverables and outcomes, project scope and timeline.

2. Address any potential project deficiencies, including deficiencies identified in the auditor general's April 2015 recommendations.

3. Provide updated plans for spending the department-dedicated portion of the authorized third-party electronic service partner's fee retention on completion of the motor vehicle modernization project in fiscal year 2019-2020, including any amounts for stabilization, maintenance, ongoing operations, support and enhancements for the motor vehicle modernization solution, maintenance of legacy mainframe processing and support capability, and other system projects outside the scope of the motor vehicle modernization project.
On or before August 1, 2019, the department shall report to the
director of the joint legislative budget committee the state’s share of
fees retained by the service Arizona vendor in the prior fiscal year. The
report shall also include the amount spent by the service Arizona vendor
on behalf of this state in the prior fiscal year, as well as a list of the
projects funded with those monies.

Other

Of the $205,693,000 appropriated to the lump sum operating budget, $675,000 is appropriated on a onetime basis for special license plate
implementation and production costs.

Of the $141,493,000 appropriated to the highway maintenance line
item, $75,000 is appropriated on a onetime basis for highway signage
installation and production.

Of the total amount appropriated, $141,493,000 in fiscal year
2019-2020 for highway maintenance is exempt from the provisions of section
35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
except that all unexpended and unencumbered monies of the appropriation
revert to their fund of origin, either the state highway fund established
by section 28-6991, Arizona Revised Statutes, or the safety enforcement
and transportation infrastructure fund – department of transportation
subaccount established by section 28-6547, Arizona Revised Statutes, on

Of the total amount appropriated, the department of transportation
shall pay $15,981,300 in fiscal year 2019-2020 from all funds to the
department of administration for its risk management payment.

All expenditures made by the department of transportation for
attorney general legal services shall be funded only from the attorney
general legal services line item. Monies in the operating lump sum
appropriation or other line items intended for this purpose shall be
transferred to the attorney general legal services line item before
expenditure.

In accordance with section 35-142.01, Arizona Revised Statutes,
reimbursements for monies expended from the highway maintenance line item
may not be credited to the account out of which the expenditure was
incurred. The department shall deposit all reimbursements for monies
expended from the highway maintenance line item in the highway damage
recovery account established by section 28-6994, Arizona Revised Statutes.

Expenditures made by the department of transportation for vehicle
and heavy equipment replacement shall be funded only from the vehicle
replacement line item. Monies in the operating lump sum appropriation or
other line items intended for this purpose shall be transferred to the
vehicle replacement line item before expenditure.
Sec. 92. STATE TREASURER

FTE positions 34.4

Operating lump sum appropriation $ 3,625,800
Justice of the peace salaries 1,205,100
Law enforcement/boating safety fund grants 2,183,800

Total appropriation – state treasurer $ 7,014,700

Fund sources:

State general fund $ 1,205,100
Law enforcement and boating safety fund 2,183,800
State treasurer empowerment scholarship account fund 304,400
State treasurer's operating fund 3,025,800
State treasurer's management fund 295,600

On or before June 30, 2019 and June 30, 2020, the state treasurer shall report to the joint legislative budget committee staff on the state treasurer's current fiscal year and estimated next fiscal year expenditures of interest earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised Statutes, for the state treasurer's banking service contract, external investment management agreement, administrative and information technology costs and any other costs.

Within thirty days after the award of a request for proposals for its general ledger software system replacement, the state treasurer shall report to the joint legislative budget committee staff on the total cost of development and ongoing annual operating costs for the system.

Sec. 93. GOVERNOR'S OFFICE ON TRIBAL RELATIONS

FTE positions 3.0
Lump sum appropriation $ 60,900

Fund sources:

State general fund $ 60,900

Sec. 94. ARIZONA BOARD OF REGENTS

FTE positions 25.9
Operating lump sum appropriation $ 2,363,400
Adaptive athletics 160,000
Arizona teacher academy 15,000,000
Arizona teachers incentive program 90,000
Arizona transfer articulation support system 213,700
The Arizona board of regents shall distribute monies appropriated for the adaptive athletics line item to each university under the jurisdiction of the board to maintain and operate an intercollegiate adaptive athletics program that provides opportunities for competitive wheelchair and adaptive sports to students and community members with disabilities. The monies may be spent only when the university collects matching monies of gifts, grants and donations for the intercollegiate adaptive athletics program from sources other than this state. Universities may spend the monies only on scholarships, equipment, uniforms, travel expenses and tournament fees for participants in the intercollegiate adaptive athletics program. The monies may not be used for administrative costs, personal services or employee-related expenditures.

The Arizona board of regents shall distribute monies appropriated for Washington, D.C. internships in equal amounts to each of the three universities under the jurisdiction of the board to provide student internships in Washington, D.C. in partnership with a third-party organization selected by the Arizona board of regents.

Within ten days after the acceptance of the universities' semiannual all funds budget reports, the Arizona board of regents shall submit a current year expenditure plan to the joint legislative budget committee for review. The expenditure plan shall include the use of all projected tuition and fee revenues by expenditure category, including operating expenses, plant fund, debt service and financial aid. The plan shall include the amount by which each expenditure category is projected to increase over the prior year and shall provide as much detail as the university budget requests. The plan shall include the total revenue and expenditure amounts from all tuition and student fee revenues, including base tuition, differential tuition, program fees, course fees, summer session fees and other miscellaneous and mandatory student fee revenues.

When determining any statewide adjustments, the joint legislative budget committee staff shall use the overall allocation of state general fund and appropriated tuition monies for each university in determining that university's specific adjustment.
Sec. 95. ARIZONA STATE UNIVERSITY

2019-20

FTE positions 7,699.9
Operating lump sum appropriation $822,010,800
Biomedical informatics 3,716,800
TRIF lease-purchase payment 3,600,000
School of civic and economic thought and leadership 3,023,800
Arizona financial aid trust 5,985,800
Downtown Phoenix campus 123,212,100

Total appropriation – Arizona state university $961,549,300

Fund sources:
State general fund $297,874,700
University collections fund 660,074,600
Technology and research initiative fund 3,600,000

The state general fund appropriation may not be used for alumni association funding.

The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research.

Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper.

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

The appropriated amount for the school of civic and economic thought and leadership line item shall be used to operate a single stand-alone academic entity within Arizona state university. The appropriated amount may not supplant any existing state funding or private or external donations to the existing centers or to the school. The appropriated monies and all private and external donations to the school, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the school and may not be used for indirect costs of the university. On or before October 1, 2019, the school shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the school:
1. The total amount of funding received from all sources.
2. A description of faculty positions and courses offered.
3. The total undergraduate and graduate student enrollment.
4. Significant community events, initiatives or publications.

The chairpersons of the senate education committee and the house of representatives education committee may request the director of the school to appear before the committees to report on the school's annual achievements.

Any unencumbered balances remaining in the university collections fund on June 30, 2019 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement.

Sec. 96. NORTHERN ARIZONA UNIVERSITY

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<tbody>
<tr>
<td>FTE positions</td>
<td>2,316.5</td>
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<tr>
<td>Operating lump sum appropriation</td>
<td>$250,858,200</td>
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<tr>
<td>NAU - Yuma</td>
<td>3,071,400</td>
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<tr>
<td>Arizona financial aid trust</td>
<td>1,326,000</td>
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<tr>
<td>Teacher training</td>
<td>2,291,700</td>
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<td>Economic policy institute</td>
<td>500,000</td>
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<tr>
<td>Biomedical research funding</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Total appropriation - Northern Arizona university</td>
<td>$261,047,300</td>
</tr>
</tbody>
</table>

Fund sources:
- State general fund | $100,088,400
- University collections fund | 160,958,900

The state general fund appropriation may not be used for alumni association funding.

The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research.

Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper.

The appropriated amount for the teacher training line item shall be distributed to the Arizona K-12 center for program implementation and mentor training for the Arizona mentor teacher program prescribed by the state board of education.
Any unencumbered balances remaining in the university collections fund on June 30, 2019 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement.

The biomedical research funding shall be distributed to a nonprofit medical research foundation in this state that collaborates with universities, hospitals, biotechnology and health research centers. A nonprofit foundation that receives monies shall submit an expenditure and performance report to Northern Arizona university. The university shall transmit the report to the joint legislative budget committee on or before February 1, 2020. The report must include at least the following:

1. The type and amount of expenditures from all state sources of monies, including the amount leveraged for local, state, federal and private grants.
2. A description of each grant received as well as the percentage and locations of positions funded solely or partly by state monies and the nonprofit foundation's projects with which those positions are associated.
   
3. Performance measures, including:
   
   (a) Outcomes that are specifically related to the use of state monies.
   
   (b) Progress that has been made toward achieving each outcome, including activities, resources and other evidence of the progress.
   
   (c) Reportable inventions or discoveries related to each outcome.
   
   (d) Publications, presentations and narratives related to each outcome and how the expenditures from all state sources of monies that the nonprofit foundation received have benefited this state.

The appropriated amount for the economic policy institute line item may not supplant any existing state funding or private or external donations to the institute or to the university. The appropriated monies and all private and external donations to the institute, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the institute and may not be used for indirect costs of the university. On or before October 1, 2019, the institute shall submit to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee a report that includes at least the following information for the institute:
1. The total amount of funding received from all sources.
2. A description of the faculty positions and courses offered.
3. The total undergraduate and graduate student participation.
4. Significant community events, initiatives or publications.

The chairpersons of the senate education committee and the house of representatives education committee may request the director of the institute to appear before the committees to report on the institute's annual achievements.

Sec. 97. UNIVERSITY OF ARIZONA

Main campus

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<tr>
<th>FTE positions</th>
<th>Operating lump sum appropriation</th>
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<tbody>
<tr>
<td>6,092.5</td>
<td>$490,348,700</td>
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Agriculture

Arizona cooperative extension

Center for the philosophy

of freedom

Sierra Vista campus

Arizona financial aid trust

Mining, mineral and natural resources educational museum

Arizona geological survey

Total - main campus

Fund sources:

State general fund

University collections fund

Health sciences center

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>Operating lump sum appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,226.3</td>
<td>$ 79,049,100</td>
</tr>
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</table>

Clinical rural rotation

Clinical teaching support

Liver research institute

Phoenix medical campus

Telemedicine network

Total - health sciences center

Fund sources:

State general fund

University collections fund

Total appropriation - university of Arizona

Fund sources:

State general fund

University collections fund
The state general fund appropriation may not be used for alumni association funding.

The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research.

Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper.

The legislature intends that $8,000,000 appropriated to the Phoenix medical campus line item be used to expand the university of Arizona Phoenix medical school and to provide tuition waivers. The legislature intends that the $8,000,000 not be annualized in future years.

The appropriated amount for the center for the philosophy of freedom line item may not supplant any existing state funding or private or external donations to the center or the philosophy department of the university of Arizona. The appropriated monies and all private and external donations to the center, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the center and may not be used for indirect costs of the university. On or before October 1, 2019, the center shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the center:

1. The total amount of funding received from all sources.
2. A description of faculty positions and courses offered.
3. The total undergraduate and graduate student participation.
4. Significant community events, initiatives or publications.

The chairpersons of the senate education committee and the house of representatives education committee may request the director of the center to appear before the committees to report on the center's annual achievements.

Any unencumbered balances remaining in the university collections fund on June 30, 2019 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement.
Sec. 98. DEPARTMENT OF VETERANS' SERVICES

FTE positions
2019-20
497.3

Operating lump sum appropriation
$2,323,800
Arizona state veterans' homes
35,414,100
Arizona state veterans' cemeteries
930,800
Veterans' benefit counseling
2,841,000
Veterans' suicide prevention
1,225,500
Veterans' trauma treatment

Total appropriation – department of veterans' services
$43,185,200

Fund sources:
State general fund
$7,771,100
State home for veterans trust fund
35,414,100

The amount appropriated for veterans' suicide prevention line item shall be distributed to a nonprofit veterans' services organization that provides services related to reducing suicides among this state's military and veteran population. The department may spend up to $75,700 of this appropriation to hire a program specialist to liaise between the department and the selected nonprofit organization. Before the expenditure of the monies, the department shall submit an expenditure report for review by the joint legislative budget committee that includes the status of non-state matching grant monies.

Monies appropriated for the veterans' trauma treatment services line item shall be used to provide grants to contractors as defined in section 36-2901, Arizona Revised Statutes, that provide trauma treatment services training to any of the following health professionals licensed pursuant to title 32, Arizona Revised Statutes:
1. Physicians.
2. Registered nurse practitioners.
3. Physician assistants.
4. Psychologists.
5. Behavioral health professionals who are either licensed for individual practice or supervised by a psychologist, registered nurse practitioner or behavioral health professional licensed pursuant to title 32, Arizona Revised Statutes, for independent practice.

Sec. 99. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

FTE positions
2019-20
6.0

Lump sum appropriation
$591,100

Fund sources:
Veterinary medical examining board fund
$591,100
Sec. 100. DEPARTMENT OF WATER RESOURCES

FTE positions 145.0

Operating lump sum appropriation $10,370,100

Adjudication support 1,740,100

Arizona water protection fund deposit 750,000

Assured and adequate water supply administration 1,992,400

Rural water studies 1,162,600

Conservation and drought program 410,200

Automated groundwater monitoring 411,500

Colorado River legal expenses 500,000*

Total appropriation - department of water resources $17,336,900

Fund sources:

State general fund $14,909,800

Water resources fund 946,400

Assured and adequate water supply administration fund 268,500

Arizona water banking fund 1,212,200

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

The legislature intends that monies in the rural water studies line item be spent only to assess local water use needs and to develop plans for sustainable future water supplies in rural areas outside this state's active management areas and not be made available for other department operating expenditures.

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

The department of water resources may not transfer any monies from the Colorado River legal expenses line item without prior review by the joint legislative budget committee.

Fiscal Year 2018-2019 Appropriation Adjustments

Sec. 101. Department of administration: risk management revolving fund; supplemental appropriation; fiscal year 2018-2019; review

A. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $9,168,400 is appropriated from the risk management
revolving fund established by section 41-622, Arizona Revised Statutes, in fiscal year 2018-2019 to the department of administration for the following purposes:

1. To pay disallowed costs relating to excess retained earnings.
2. To pay disallowed costs relating to the statewide information technology charges.
3. For fund transfers in fiscal year 2017-2018.
4. To pay interest owed from prior-year disallowed costs.

B. The legislature intends that the department of administration not enter into any agreements to pay for any federal reimbursements related to excess balances in the special employee health insurance trust fund established by section 38-654, Arizona Revised Statutes, unless the proposed agreements have been reviewed by the joint legislative budget committee.

Sec. 102. Arizona health care cost containment system administration; appropriation reduction; fiscal year 2018-2019

In addition to any other appropriation reductions made in fiscal year 2018-2019, the appropriation to the Arizona health care cost containment system administration is reduced by $36,564,900 from the state general fund in fiscal year 2018-2019.

Sec. 103. Appropriation; fiscal year 2019-2020; Arizona health care cost containment system; community health centers; graduate medical education program expenses

In addition to any other appropriations made in state fiscal year 2019-2020, the sum of $750,000 is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona health care cost containment system administration for a one-time distribution to a nonprofit organization with a network of community health centers in northern Arizona for graduate medical education program expenses to address primary care provider shortages in northern Arizona.

Sec. 104. Attorney general; lapsing; exemption

The appropriation of $500,000 to the attorney general from the risk management revolving fund in fiscal year 2018-2019 for election litigation expenses made by Laws 2018, chapter 276, section 12 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 105. Department of child safety; department of economic security; child care subsidies; supplemental appropriations; fiscal year 2018-2019; exemption

A. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $7,400,000 is appropriated from the federal child care and development fund block grant to the department of child safety
for child care subsidies to increase the number of children served and to increase maximum reimbursement levels.

B. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $48,400,000 is appropriated from the federal child care and development fund block grant to the department of economic security for child care subsidies to increase the number of children served and to increase maximum reimbursement levels.

C. The appropriations made in subsections A and B of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2020.

Sec. 106. Department of economic security; food bank storage and distribution; supplemental appropriation; fiscal year 2018-2019; exemption

A. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $950,000 is appropriated from the state general fund in fiscal year 2018-2019 to the department of economic security for food bank storage and distribution of food.

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

Sec. 107. Department of economic security; developmental disabilities program expenses; supplemental appropriations; fiscal year 2018-2019

In addition to any other appropriations made in fiscal year 2018-2019, the sum of $10,400,000 from the state general fund, $1,000,000 from the health services lottery monies fund established by section 36-108.01, Arizona Revised Statutes, and $24,071,300 from developmental disabilities medicaid expenditure authority are appropriated in fiscal year 2018-2019 to the department of economic security for division of developmental disabilities program expenses.

Sec. 108. Supplemental appropriation; department of economic security; developmental disabilities services providers; mandated labor costs; exemption

A. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $500,000 from expenditure authority is appropriated in fiscal year 2018-2019 to the department of economic security for assistance to developmental disabilities services providers. The total includes the following changes by fund:

1. $150,000 from voluntary payments made by political subdivisions.
2. $350,000 from developmental disabilities medicaid expenditure authority.

B. The department may spend $2 of the developmental disabilities medicaid expenditure authority monies appropriated in subsection A of this section for each $1 that the city of Flagstaff provides as voluntary payments for this purpose. The department shall distribute the monies to
developmental disabilities services providers that experience the highest mandated labor cost increases for services provided in the city of Flagstaff.

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

Sec. 109. Department of economic security; loans; reimbursement; fiscal year 2019-2020

On or after April 1, 2020, the department of economic security may use up to $25,000,000 from the budget stabilization fund established by section 35-144, Arizona Revised Statutes, for the purpose of providing funding for reimbursement grants. Before using the monies from the budget stabilization fund, the department shall notify the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting. Notwithstanding any other law, this appropriation must be fully reimbursed on or before September 1, 2020 and must be reimbursed in full as part of the closing process for fiscal year 2019-2020. The appropriation may not be used for additional programmatic expenditures.

Sec. 110. Superintendent of public instruction; transfer; fiscal year 2018-2019

Notwithstanding section 15-901.03, Arizona Revised Statutes, the superintendent of public instruction may transfer up to $1,600,000 from the state general fund appropriation for basic state aid for fiscal year 2018-2019 to the results-based funding program for fiscal year 2018-2019 without review by the joint legislative budget committee. Any amount transferred to the results-based funding program under this section that exceeds the amount needed to address a funding shortfall for the results-based funding program for fiscal year 2018-2019 reverts to the state general fund on June 30, 2019.

Sec. 111. State board of funeral directors and embalmers; document digitization services; exemption; fiscal year 2018-2019

Of the $441,700 appropriated to the state board of funeral directors and embalmers from the board of funeral directors' and embalmers' fund in fiscal year 2018-2019 by Laws 2018, chapter 276, section 40, the sum of $75,000 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2020 for the purpose of paying document digitization costs.

Sec. 112. Superintendent of public instruction; basic state aid; supplemental appropriation; fiscal year 2018-2019

A. In addition to any other appropriation reductions made in fiscal year 2018-2019, the sum of $16,833,400 is reduced from appropriations made
from the state general fund in fiscal year 2018-2019 to the superintendent of public instruction for basic state aid.

B. In addition to any other appropriations made in fiscal year 2018-2019, the sum of $6,833,400 is appropriated from the state school trust revenue bond debt service fund in fiscal year 2018-2019 to the superintendent of public instruction for basic state aid.

Sec. 113. **State land department; appropriation reduction; fiscal year 2018-2019**

In addition to any other appropriation reductions made in fiscal year 2018-2019 and notwithstanding any other law, the appropriation to the state land department is reduced by $128,300 from the state general fund in fiscal year 2018-2019 to realign the funding level for CAP user fees with the fiscal year 2018-2019 CAP user fee rates.

Sec. 114. **Supplemental appropriation; secretary of state**

In addition to any other appropriations made in fiscal year 2018-2019, the sum of $700,000 is appropriated from the state general fund in fiscal year 2018-2019 to the secretary of state for operating expenses.

Sec. 115. **Secretary of state; lapsing; exemption; reversion**

Notwithstanding section 35-190, Arizona Revised Statutes, the appropriation of $2,941,100 to the secretary of state for the help America vote act made by Laws 2017, chapter 305, section 88 that remains unexpended on June 30, 2020 reverts to the fund from which the monies were appropriated.

Sec. 116. **School facilities board; supplemental appropriation; building renewal grants; fiscal year 2018-2019**

In addition to any other appropriations made in fiscal year 2018-2019, the sum of $25,000,000 is appropriated from the state general fund in fiscal year 2018-2019 to the school facilities board for building renewal grants.

Sec. 117. **Supplemental appropriation; elected officials retirement adjustment; fiscal year 2018-2019**

The sum of $287,800 is appropriated from the state general fund in fiscal year 2018-2019 for elected officials retirement contribution rate adjustments. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the retirement adjustment. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the elected officials retirement adjustment. The amount includes state funding for elected officials retirement adjustments for the portion of superior court judges' salaries paid by the state.
Sec. 118. Appropriations; budget stabilization fund; fiscal years 2018-2019 and 2019-2020

The sum of $271,107,000 is appropriated from the state general fund in each of fiscal years 2018-2019 and 2019-2020 to the budget stabilization fund established by section 35-144, Arizona Revised Statutes.

Fiscal Year 2019-2020 Appropriations

Sec. 119. Department of administration; counties; appropriations; allocations; fiscal year 2019-2020

A. The sum of $7,150,650 is appropriated from the state general fund in fiscal year 2019-2020 to the department of administration for distribution to counties to maintain essential county services. The department shall allocate the appropriation equally among all counties with a population of less than nine hundred thousand persons according to the 2010 United States decennial census.

B. The sum of $500,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of administration for distribution to a county with a population of more than thirty thousand persons but less than forty thousand persons according to the 2010 United States decennial census to maintain essential county services.

C. The sum of $3,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of administration for distribution to counties to supplement the normal cost plus an amount to amortize the unfunded accrued liability pursuant to section 38-810, subsection C, Arizona Revised Statutes. The department shall allocate the appropriation equally among all counties with a population of less than three hundred thousand persons according to the 2010 United States decennial census. The counties may use these monies only for required employer contributions to the election officials' retirement plan.

Sec. 120. Appropriation; Arizona health care cost containment system administration; information technology expenses; fiscal year 2019-2020

The sums of $2,068,000 from the prescription drug rebate fund established by section 36-2930, Arizona Revised Statutes, and $7,810,000 from expenditure authority are appropriated in fiscal year 2019-2020 to the Arizona health care cost containment system administration for onetime funding of information technology system operating expenses. The amounts are allocated as follows for the following systems:

1. $449,700 for the asset verification system.
2. $4,774,600 for the provider management system.
3. $4,653,700 for the electronic visit verification system.
Sec. 121. Arizona arts trust fund; appropriation; fiscal year 2019-2020
The sum of $2,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona arts trust fund established by section 41-983.01, Arizona Revised Statutes.

Sec. 122. Appropriation; Arizona commission on the arts; capital improvements; exemption
A. The sum of $200,000 is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona commission on the arts to distribute to a nonprofit professional theater company in a county with a population of more than three million persons that has been in existence for at least ninety-nine years. Monies distributed pursuant to this subsection must be used for capital costs.
B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.
C. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

Sec. 123. Attorney general; appropriation; human trafficking survivors; fiscal year 2019-2020
The sum of $300,000 is appropriated from the consumer protection-consumer fraud revolving fund established by section 44-1531.01, Arizona Revised Statutes, in fiscal year 2019-2020 to the attorney general to distribute to organizations that provide resources and services to survivors of human trafficking.

Sec. 124. Appropriation; consumer protection-consumer fraud revolving fund; first responder personnel mental health
The sum of $400,000 is appropriated from the consumer protection-consumer fraud revolving fund established by section 44-1531.01, Arizona Revised Statutes, in fiscal year 2019-2020 to the attorney general for distribution to organizations that provide resources and training, including mental health training, for first responders and first responder professionals who are experiencing the effects of stress from traumatic incidents suffered in the line of duty.

Sec. 125. Attorney general; appropriation; multidisciplinary young persons program; fiscal year 2019-2020
In addition to any other appropriations made in state fiscal year 2019-2020, the sum of $250,000 is appropriated from the consumer protection-consumer fraud revolving fund established by section 44-1531.01, Arizona Revised Statutes, in fiscal year 2019-2020 to the attorney general for distribution to an organization that uses a multidisciplinary program to assess, nurture and sustain young people within their environments. The program must connect each participating
child to at least five adults who teach, model and provide research-based support to the child.

Sec. 126. Automation projects fund; appropriations; fiscal year 2019-2020; quarterly report

Appropriation

A. The sum of $10,100,000 is appropriated from the department of child safety subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration to implement upgrades to the children's information library and data source system at the department of child safety.

B. The sum of $200,000 is appropriated from the Arizona department of agriculture subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration to conduct a feasibility study to replace or upgrade information technology systems at the Arizona department of agriculture.

C. The sum of $3,000,000 is appropriated from the department of education subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration to replace the school finance data system at the department of education.

D. The sum of $300,000 is appropriated from the medical board subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration for information technology projects.

E. The following amounts are appropriated from the department of public safety subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration for the following statewide automation and information technology projects at the department of public safety:

1. $410,000 to update the concealed weapons tracking system.
2. $2,301,000 to implement updates to the criminal justice information system.

F. The sum of $1,000,000 is appropriated from the department of administration subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of administration to conduct a feasibility study of a business one-stop shop web portal and to initiate the system design.
Quarterly Report

G. The department of administration shall submit to the joint legislative budget committee, within thirty days after the last day of each calendar quarter, a quarterly report on implementing projects approved by the information technology authorization committee established by section 18-121, Arizona Revised Statutes, including the projects' expenditures to date, deliverables, timeline for completion and current status.

Nonlapsing

H. The amount appropriated pursuant to this section from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2021.

I. The transfers into the automation projects fund established by section 41-714, Arizona Revised Statutes, as outlined in this section are not appropriations out of the automation project fund. Only direct appropriations out of the automation projects fund are appropriations.

Sec. 127. Arizona commerce authority; allocation; fiscal year 2019-2020

Pursuant to section 43-409, Arizona Revised Statutes, $15,500,000 of the state general fund withholding tax revenues is allocated in fiscal year 2019-2020 to the Arizona commerce authority, of which $10,000,000 is credited to the Arizona commerce authority fund established by section 41-1506, Arizona Revised Statutes, and $5,500,000 is credited to the Arizona competes fund established by section 41-1545.01, Arizona Revised Statutes.

Sec. 128. Arizona commerce authority; appropriations; trade offices; fiscal year 2019-2020; exemption

A. The sum of $500,000 is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona commerce authority to operate a trade office in Mexico City and to establish and operate new trade offices in Guanajuato and Chihuahua.

B. The sum of $275,000, which includes $100,000 of onetime funding, is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona commerce authority to establish and operate a new trade office in Israel.

C. The legislature intends that the appropriations made in subsections A and B of this section, excluding the onetime funding, be considered ongoing funding in future years.

D. The appropriations made in subsection A of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.
Sec. 129. Appropriation; Arizona commerce authority; applied research centers and institutes; blockchain or wearable technology; automated mobility; annual report; exemptions

A. The sum of $2,500,000 is appropriated from the state web portal fund established by section 18-421, Arizona Revised Statutes, in fiscal year 2019-2020 to the Arizona commerce authority to distribute to applied research centers and institutes located in this state that specialize in blockchain or wearable technology or automated mobility, to be allocated as follows:

1. $1,250,000 for distribution to applied research centers that specialize in blockchain technology.
2. $750,000 for distribution to applied research centers that specialize in wearable technology.
3. $500,000 to the institute for automated mobility.

B. Subject to available funding, the authority shall distribute monies appropriated in subsection A of this section to any applied research center or institute in increments of up to $250,000 within thirty days after the applied research center or institute notifies the authority in writing that the applied research center or institute has received a matching amount of at least $250,000 from sources other than this state.

C. An applied research center or institute that receives a distribution pursuant to this section must collaborate with universities, nonprofit business associations, health science research centers, institutes or other technology businesses that do business in this state. On or before September 15, 2022, the applied research center or institute shall return to the authority all monies received by the applied research center or institute pursuant to this section that remain unexpended and unencumbered on September 1, 2022. The authority shall deposit the returned monies in the state web portal fund. The authority shall notify the president of the senate and the speaker of the house of representatives on or before July 1, 2020 and July 1, 2021 if the authority has not distributed any monies pursuant to this section.

D. An applied research center or institute that receives monies pursuant to this section shall annually submit an expenditure and performance report to the authority. The authority shall transmit the report to the joint legislative budget committee and the governor's office of strategic planning and budgeting on or before February 1 of each year.

E. For the purposes of this act, the authority is exempt from the procurement code requirements of title 41, chapter 23, Arizona Revised Statutes.
F. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that any amounts that remain unexpended and unencumbered on June 30, 2023 revert to the state web portal fund.

Sec. 130. Arizona commerce authority; appropriation; rural broadband; fiscal year 2019-2020; exemption
A. The sum of $3,000,000 in onetime funding is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona commerce authority for the purpose of providing rural broadband grants. The Arizona commerce authority shall report to the joint legislative budget committee on or before January 31, 2020 on its plan for distributing these grants.
B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.

Sec. 131. Appropriation; felony pretrial intervention program; probation surveillance; case management
The sum of $750,000 in onetime funding is appropriated from the transition program fund established by section 31-284, Arizona Revised Statutes, in fiscal year 2019-2020 to the Arizona criminal justice commission to distribute to the Yavapai county sheriff to administer felony pretrial intervention programs, probation surveillance and case management.

Sec. 132. Appropriation; small drinking water systems fund; fiscal year 2019-2020; report
A. The sum of $500,000 in onetime funding is appropriated from the state general fund in fiscal year 2019-2020 to the small drinking water systems fund established by section 49-355, Arizona Revised Statutes, for grants to interim operators, interim managers or owners of small drinking water systems.
B. The water infrastructure finance authority of Arizona shall report to the joint legislative budget committee on or before December 31, 2019, December 31, 2020 and December 31, 2021 on the annual amount of expenditures from the small drinking water systems fund established by section 49-355, Arizona Revised Statutes, for grants to interim operators, interim managers or owners of small drinking water systems during the prior fiscal year.

Sec. 133. Arizona community colleges; appropriations; STEM and workforce development; fiscal years 2019-2020, 2020-2021 and 2021-2022
The following amounts are appropriated from the state general fund in each of fiscal years 2019-2020, 2020-2021 and 2021-2022 to the following Arizona community college districts for STEM and workforce development:
1. Maricopa $1,600,000
2. Pima $ 400,000

Sec. 134. Arizona community colleges; appropriations; fiscal year 2019-2020
A. The sum of $15,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to Pima community college to expand the Pima aviation center.
B. The sum of $5,800,000 is appropriated from the state general fund in fiscal year 2019-2020 to Maricopa community college district for health care specialty expansion.
C. The following amounts are appropriated from the state general fund in fiscal year 2019-2020 to the following community college districts:
   1. Cochise $3,140,100
   2. Coconino $1,003,100
   3. Gila $ 343,200
   4. Graham $1,568,100
   5. Mohave $1,152,100
   6. Navajo $ 889,200
   7. Pinal $1,795,400
   8. Santa Cruz $ 64,200
   9. Yavapai $1,761,300
  10. Yuma/La Paz $2,483,300

Sec. 135. Appropriation; superintendent of public instruction; schools on proving grounds; demolition and construction; matching monies; lapsing of appropriations
A. The sum of $800,000 is appropriated from the state general fund in fiscal year 2019-2020 to the superintendent of public instruction to distribute to an elementary school district that operates a school on a proving ground that is operated by the United States army and that encompasses at least one thousand square miles in this state.
B. The monies appropriated in subsection A of this section may be used only to demolish an existing or former school that is located on a proving ground operated by the United States army or to construct a new replacement school on that same proving ground.
C. The monies appropriated in subsection A of this section may be spent only if the United States department of defense provides matching monies for this purpose in an amount that is equivalent to at least eighty percent of the total project cost.
D. Notwithstanding section 35-190, Arizona Revised Statutes, the appropriation made in subsection A of this section does not lapse until the purpose for which the appropriation is made is accomplished or abandoned unless the appropriation stands until October 1, 2029 without an expenditure or encumbrance. In addition, all monies remaining unexpended and unencumbered on October 1, 2029 revert to the state general fund.

Sec. 136. Appropriation; superintendent of public instruction; unification assistance; exemption

A. The sum of $50,000 is appropriated from the state general fund in fiscal year 2019-2020 to the superintendent of public instruction to distribute to any unified school district that is created as the result of an election conducted in 2019 or 2020 pursuant to section 15-459, subsection F, Arizona Revised Statutes, to assist with the costs of implementing the new unified school district.

B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until July 1, 2022.

Sec. 137. Appropriations; superintendent of public instruction; high-quality teacher professional development pilot program; exemption

A. The sum of $400,000 is appropriated from the state general fund in each of fiscal years 2019-2020, 2020-2021 and 2021-2022 to the superintendent of public instruction to provide scholarships or grants, or both, to qualified applicants to complete high-quality teacher professional development at a qualifying postsecondary institution. The department of education shall use $100,000 of each fiscal year appropriation to provide scholarships or grants, or both, to qualified applicants in counties with a population of less than three hundred seventy-five thousand persons.

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

Sec. 138. Appropriation; superintendent of public instruction; gifted education; fiscal year 2019-2020

In addition to any other appropriations made in state fiscal year 2019-2020, the sum of $1,000,000 in onetime funding is appropriated from the state general fund in fiscal year 2019-2020 to the superintendent of public instruction for gifted education.

Sec. 139. Appropriations; department of environmental quality; international outfall interceptor project

The sum of $1,269,300 is appropriated from the emissions inspection fund established by section 49-544, Arizona Revised Statutes, in fiscal year 2019-2020 and the sum of $1,300,000 is appropriated from the air...
quality fund established by section 49-551, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of environmental quality for the Nogales wash and international outfall interceptor project.

Sec. 140. Department of environmental quality; appropriation; dust suppression pilot program; fiscal year 2019-2020

The sum of $200,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of environmental quality for a onetime distribution to Maricopa county for a dust suppression pilot program in Sun Lakes, Arizona.

Sec. 141. Arizona department of forestry and fire management; appropriation; Mount Lemmon fire district water line; fiscal year 2019-2020; exemption

A. In addition to any other appropriations made in fiscal year 2019-2020, the sum of $750,000 is appropriated from the state general fund in fiscal year 2019-2020 to the Arizona department of forestry and fire management to distribute to the Mount Lemmon fire district to construct a water line.

B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, except that all monies of the appropriation remaining unexpended and unencumbered on December 31, 2021 revert to the state general fund.

Sec. 142. Appropriations; Arizona department of forestry and fire management; nonnative vegetation species eradication fund; fiscal years 2019-2020 through 2028-2029

A. The sum of $1,000,000 is appropriated from the state general fund in each of fiscal years 2019-2020, 2020-2021, 2021-2022, 2022-2023, 2023-2024, 2024-2025, 2025-2026, 2026-2027, 2027-2028 and 2028-2029 to the Arizona department of forestry and fire management for deposit in the nonnative vegetation species eradication fund established by section 37-1309, Arizona Revised Statutes, to assist in preventing wildland fires and flooding.

B. In addition to any other appropriations made in fiscal year 2019-2020, the sum of $1,000,000 is appropriated onetime from the state general fund in fiscal year 2019-2020 to the Arizona department of forestry and fire management for deposit in the nonnative vegetation species eradication fund established by section 37-1309, Arizona Revised Statutes, to assist in preventing wildland fires and flooding.
Sec. 143. **Department of health services; appropriation; trauma services; fiscal year 2019-2020**

The sum of $1,500,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of health services to distribute to hospitals for the purpose of maintaining essential emergency department and level IV trauma services. The department shall distribute these monies as follows:

1. $900,000 to a critical access hospital in the city of Benson.
2. $600,000 to a critical access hospital in the city of Willcox.

Sec. 144. **Appropriation; department of health services; community-based primary care program; geographically isolated area; fiscal year 2019-2020; definition**

A. The sum of $700,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of health services to distribute to a community-based primary care program in a geographically isolated area of this state. The program must include all of the following:

1. Medical care provided by licensed primary care physicians and licensed mid-level providers.
2. Prenatal care services.
4. Family planning services.
5. Diagnostic laboratory and imaging services that are necessary to complete a diagnosis and treatment, including referral services.
6. Pharmacy services.
7. Preventive health services.
8. Preventive dental services.

B. For the purposes of this section, "geographically isolated area" means a city or town with a population of less than fifteen thousand persons that is located in both:

1. A medically underserved area designated pursuant to section 36-2352, Arizona Revised Statutes.
2. A health professional shortage area as defined in 42 Code of Federal Regulations part 5.

Sec. 145. **Appropriation; department of health services; rural hospitals; pregnant women; fiscal year 2019-2020**

The sum of $1,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of health services for distribution to rural hospitals located in health professional shortage areas in this state as defined in 42 Code of Federal Regulations part 5 for the purchase of sonogram and telemedicine equipment for providing care to pregnant women. The department shall determine recipients of the monies through a request for proposals process.
Sec. 146. Appropriation; department of health services; vulnerable caregiver workshops; exemption

A. The sum of $250,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of health services to contract with a nonprofit mental health services provider to conduct workshops for vulnerable parents, grandparents and caregivers of at-risk youth who are struggling at home, in an out-of-home placement or in school. The workshops shall be designed to enable the vulnerable parents, grandparents and caregivers to build strengths, gain insight and learn new skills to effectively assist the at-risk youth to reach their full potential and to preserve the family.

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

Sec. 147. Appropriation; family caregiver grant program fund; exemption; fiscal year 2019-2020

A. The sum of $1,000,000 is appropriated one time from the state general fund in fiscal year 2019-2020 to the department of economic security for deposit in the family caregiver grant program fund established by section 46-343, Arizona Revised Statutes.

B. The monies appropriated in subsection A of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 148. Arizona state parks board; appropriation; Buckskin fire district; fiscal year 2019-2020

In addition to any other appropriations made in fiscal year 2019-2020, the sum of $225,000 is appropriated from the state lake improvement fund established by section 5-382, Arizona Revised Statutes, in fiscal year 2019-2020 to the Arizona state parks board to distribute to the Buckskin fire district for the purchase of marine fire suppression equipment.

Sec. 149. Department of public safety; appropriation; highway patrol vehicles; fiscal year 2019-2020

The sum of $4,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of public safety to purchase highway patrol vehicles.

Sec. 150. Department of public safety; appropriation; Arizona peace officer standards and training board; fiscal year 2019-2020

The sum of $1,027,300 is appropriated from the Arizona highway patrol fund established by section 41-1752, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of public safety for the benefit of the Arizona peace officer standards and training board to cover law enforcement training expenses.
Sec. 151. Appropriation; department of public safety; public safety interoperability fund deposit; fiscal year 2019-2020

The sum of $1,500,000 is appropriated from the state general fund in fiscal year 2019-2020 to the department of public safety for deposit in the public safety interoperability fund established by section 41-1733, Arizona Revised Statutes.

Sec. 152. Appropriations; PSPRS; fiscal years 2019-2020 through 2025-2026; pension liability; city of Prescott

The sum of $1,000,000 is appropriated from the state general fund in each of fiscal years 2019-2020, 2020-2021, 2021-2022, 2022-2023, 2023-2024, 2024-2025 and 2025-2026 to the public safety personnel retirement system to be deposited in the employer account of the Prescott fire department group to offset increased pension liability.

Sec. 153. Appropriation; department of revenue; fiscal year 2019-2020; out-of-state TPT administration

The sum of $2,000,000 in onetime funding is appropriated from the department of revenue administrative fund established by section 42-1116.01, Arizona Revised Statutes, in fiscal year 2019-2020 to the department of revenue for administrative costs to collect transaction privilege taxes from out of state businesses.

Sec. 154. Department of transportation; Flagstaff building equipment; exemption

Notwithstanding Laws 2017, chapter 305, section 92 and Laws 2018, chapter 276, section 130, the $2,530,000 appropriated to the department of transportation by Laws 2017, chapter 305, section 92 from the state highway fund for the Flagstaff building equipment line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2020.

Sec. 155. Universities; appropriation; fiscal year 2019-2020; report; review

A. The sum of $35,000,000 is appropriated from the state general fund in fiscal year 2019-2020 to Arizona state university, northern Arizona university and the university of Arizona for capital improvements or operating expenditures in the following amounts:

1. Arizona state university — $18,900,000
2. Northern Arizona university — $6,650,000
3. University of Arizona — $9,450,000

B. On or before August 1, 2019, each university shall report the intended use of the monies to the joint legislative budget committee.
C. Before any expenditure of the monies appropriated in subsection 
A of this section for capital improvements, the university shall submit 
the scope, purpose and estimated cost of the capital improvements for 
review by the joint committee on capital review pursuant to section 
41-1252, Arizona Revised Statutes.

Sec. 156. Appropriation; temporary groundwater and irrigation 
efficiency projects fund; fiscal year 2019-2020

The sum of $20,000,000 is appropriated from the state general fund 
in fiscal year 2019-2020 to the temporary groundwater and irrigation 
efficiency projects fund established by section 45-615.01, Arizona Revised 
Statutes, to construct, rehabilitate and lease wells and infrastructure 
related to the withdrawal and efficient delivery of groundwater by 
qualified irrigation districts as defined in section 45-615.01, Arizona 
Revised Statutes. The disbursement of monies must be evidenced by an 
agreement between the qualified irrigation districts and the director of 
water resources. The terms of the agreement shall require the repayment 
of the monies disbursed pursuant to this section on or before December 31, 
2021 and may not require payment of interest by the qualified irrigation 
district. The director shall reimburse the state general fund with all 
monies repaid by qualified irrigation districts pursuant to this section. 
The appropriation may not be used for additional programmatic 
expenditures.

Sec. 157. Appropriations; debt service payments; state 
buildings; fiscal year 2019-2020

A. The sum of $53,699,500 is appropriated from the state general 
fund in fiscal year 2019-2020 to the department of administration for the 
purpose of making a debt service payment on the sale and leaseback of 
state buildings authorized by Laws 2009, third special session, chapter 6, 
section 32.

B. The sum of $24,009,800 is appropriated from the state general 
fund in fiscal year 2019-2020 to the department of administration for the 
purpose of making a debt service payment on the sale and leaseback of 
state buildings authorized by Laws 2010, sixth special session, chapter 4, 
section 2.

Sec. 158. Phoenix convention center; allocation; fiscal year 
2019-2020

Pursuant to section 9-602, Arizona Revised Statutes, $23,500,000 of 
state general fund revenue is allocated in fiscal year 2019-2020 to the 
Arizona convention center development fund established by section 9-601, 
Arizona Revised Statutes.
Sec. 159. **Rio Nuevo multipurpose facility district; estimated distribution; fiscal year 2019-2020**

Pursuant to section 42-5031, Arizona Revised Statutes, a portion of the state transaction privilege tax revenues will be distributed to a multipurpose facility district. The Rio Nuevo multipurpose facility district is estimated to receive $14,000,000 in fiscal year 2019-2020. The actual amount of the distribution will be made pursuant to section 42-5031, Arizona Revised Statutes.

Sec. 160. **Appropriation; auditor general; career technical education district studies; fiscal year 2019-2020; exemption**

A. In addition to any other appropriation made in fiscal year 2019-2020, the sum of $400,000 is appropriated from the state general fund in fiscal year 2019-2020 to the auditor general in the following purposes:

1. In collaboration with the Arizona commerce authority and business, industry and higher education leaders, to identify, on or before January 1, 2020, the industry certifications earned by career technical education students that are most associated with multiyear career technical education programs that successfully prepare students for jobs in high-demand technical fields.

2. To evaluate, on or before December 1, 2020, the effectiveness of career technical education districts in preparing students for jobs in high-demand technical fields.

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

**Fiscal Years 2020-2021 and 2021-2022 Appropriations**

Sec. 161. **Appropriation; new school facilities fund; fiscal year 2020-2021; use**

The sum of $45,805,900 is appropriated from the state general fund in fiscal year 2020-2021 for a onetime deposit in the new school facilities fund established by section 15-2041, Arizona Revised Statutes. The school facilities board shall use the monies only for facilities that will be constructed for school districts that received final approval from the school facilities board on or before September 1, 2019.

Sec. 162. **Appropriation; state board for charter schools; fiscal year 2020-2021**

The sum of $392,800 and 5 FTE positions are appropriated from the state general fund in fiscal year 2020-2021 to the state board for charter schools for charter school accountability.
Sec. 163. Appropriations; superintendent of public instruction; career technical education certification incentive program; fiscal years 2020-2021 and 2021-2022; exemption

A. In addition to any other appropriation made in fiscal years 2020-2021 and 2021-2022, the sum of $5,000,000 is appropriated from the state general fund in each of fiscal years 2020-2021 and 2021-2022 to the superintendent of public instruction for deposit in the Arizona industry credentials incentive fund established by section 15-249.15, Arizona Revised Statutes, for incentive payments to career technical education programs for each high school graduate who earns a select industry certification. The superintendent of public instruction shall transfer $10,000 of the appropriated amount in each of fiscal years 2020-2021 and 2021-2022 to the office of economic opportunity to conduct an annual skill profile analysis.

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

Sec. 164. Appropriation; superintendent of public instruction; rollover reduction; fiscal year 2021-2022

In addition to any other appropriation made in fiscal year 2021-2022, the sum of $30,000,000 is appropriated from the state general fund in fiscal year 2021-2022 to the superintendent of public instruction for basic state aid to eliminate the K-12 rollover for school districts with a student count of less than one thousand three hundred fifty pupils.

Sec. 165. Appropriations; department of health services; student loan repayment; fiscal years 2020-2021 and 2021-2022

The sum of $500,000 is appropriated from the state general fund in each of fiscal years 2020-2021 and 2021-2022 to the department of health services to provide student loan repayment options for health care professionals who provide prenatal care in a health professional shortage area in this state as defined in 42 Code of Federal Regulations part 5.

Fiscal Year 2019-2020 Appropriations and Fund Balance Transfers

Sec. 166. Appropriation; fund balance transfer; fiscal year 2019-2020; state general fund

Notwithstanding section 36-2930, Arizona Revised Statutes, on or before June 30, 2020, the sum of $69,000,000 from the prescription drug rebate fund established by section 36-2930, Arizona Revised Statutes, is transferred to the state general fund for the purpose of providing adequate support and maintenance for agencies of this state.
Sec. 167. Appropriations; fund balance transfers; fiscal year 2019-2020; automation projects fund

A. The sum of $10,100,000 is appropriated from the state general fund in fiscal year 2019-2020 for deposit in the department of child safety subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to upgrade the children's information library and data source system at the department of child safety.

B. The sum of $1,000,000 is appropriated from the state general fund in fiscal year 2019-2020 for deposit in the department of administration subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, for a business one-stop shop web portal.

C. Notwithstanding any other law, the amount of $3,000,000 is transferred from the department of education empowerment scholarship account fund established by section 15-2402, Arizona Revised Statutes, in fiscal year 2019-2020 for deposit in the department of education subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to replace the school finance data system.

D. Notwithstanding any other law, the amount of $300,000 is transferred from the Arizona medical board fund established by section 32-1406, Arizona Revised Statutes, in fiscal year 2019-2020 for deposit in the medical board subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, for information technology projects.

E. Notwithstanding any other law, the following amounts are transferred from the following funds in fiscal year 2019-2020 for deposit in the department of public safety subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes:

1. $410,000 from the concealed weapons permit fund established by section 41-1722, Arizona Revised Statutes, for the concealed weapons tracking system.

2. $2,301,000 from the Arizona highway patrol fund established by section 41-1752, Arizona Revised Statutes, for upgrades to the criminal justice information system.

F. Notwithstanding any other law, the amount of $200,000 is transferred from the air quality fund established by section 49-551, Arizona Revised Statutes, in fiscal year 2019-2020 for deposit in the Arizona department of agriculture subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to conduct a feasibility study to replace or upgrade information technology systems at the Arizona department of agriculture.
G. The transfers into the automation projects fund established by section 41-714, Arizona Revised Statutes, are not appropriations out of the automation projects fund. Only direct appropriations out of the automation projects fund are appropriations.

Sec. 168. Attorney general; transfer; settlement agreement

Notwithstanding any other law, on or before June 30, 2020, the attorney general shall direct a total of $20,000,000 received pursuant to the settlement agreement dated December 28, 2018 between this state and Wells Fargo & Company for deposit in the state general fund.

Sec. 169. Arizona highway patrol fund; state highway fund; vehicle license tax; transfer; fiscal year 2019-2020

A. Notwithstanding any other law, the amount of $15,492,300 is transferred from the Arizona highway patrol fund established by section 41-1752, Arizona Revised Statutes, in fiscal year 2019-2020 for deposit in the state highway fund established by section 28-6991, Arizona Revised Statutes.

B. Notwithstanding any other law, $15,492,300 received in fiscal year 2019-2020 pursuant to title 28, chapter 16, article 3, Arizona Revised Statutes, relating to vehicle license tax, for distribution to the state highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be deposited in the state general fund. Deposits may be made in even monthly installments.

C. Notwithstanding any other law, $7,850,900 received in fiscal year 2019-2020 pursuant to title 28, chapter 16, article 3, Arizona Revised Statutes, relating to vehicle license tax, for distribution to the state highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be deposited in the state general fund. Deposits may be made in even monthly installments.

Payment Deferrals

Sec. 170. Reduction in school district state aid apportionment in fiscal year 2019-2020; appropriation in fiscal year 2020-2021

A. In addition to any other appropriation reductions made in fiscal year 2019-2020, notwithstanding any other law, the department of education shall defer until after June 30, 2020 but not later than July 12, 2020 $930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2019-2020 pursuant to section 15-973, Arizona Revised Statutes. The funding deferral required by this subsection does not apply to charter schools or to school districts with a student count of less than six hundred pupils. The department of education shall make the deferral by reducing the apportionment of state aid for each month in the fiscal year by the same amount.
B. In addition to any other appropriations made in fiscal year 2020-2021, the sum of $930,727,700 is appropriated from the state general fund in fiscal year 2020-2021 to the department of education and the superintendent of public instruction for basic state aid and additional state aid entitlement for fiscal year 2020-2021. This appropriation shall be disbursed after June 30, 2020 but not later than July 12, 2020 to the several counties for the school districts in each county in amounts equal to the reductions in apportionment of basic state aid and additional state aid that are required pursuant to subsection A of this section for fiscal year 2019-2020.

C. School districts shall include in the revenue estimates they use for computing their tax rates for fiscal year 2019-2020 the monies they will receive pursuant to subsection B of this section.

Statewide Adjustments

Sec. 171. Appropriations; operating adjustments

2019-20

1. Employer health insurance contribution reduction $(19,967,600)
   Fund sources:
   State general fund $(9,967,600)
   Other funds $(10,000,000)

2. Employer health insurance contribution increase $20,544,400
   Fund sources:
   State general fund $10,544,400
   Other funds 10,000,000

3. Elected officials retirement adjustments $287,800
   Fund sources:
   State general fund $287,800
   Other appropriated funds 0

4. Agency retirement adjustments $4,000,000
   Fund sources:
   Other funds $4,000,000

5. Agency risk management adjustments $2,965,100
   Fund sources:
   State general fund $2,341,700
   Other funds 623,400

6. Agency rent adjustments $(619,700)
   Fund sources:
   State general fund $(549,700)
   Other funds $(70,000)
7. State building rent increases $ 2,923,000
   Fund sources:
   State general fund $ 2,023,000
   Other funds 900,000
8. Shared services adjustments $ 110,600
   Fund sources:
   State general fund $ 10,600
   Other funds 100,000
9. Correctional officer retirement adjustments $ (3,710,100)
   Fund sources:
   State general fund $ (3,710,100)
10. Information technology pro rata adjustments $ 1,967,700
    Fund sources:
    State general fund $ 1,067,700
    Other funds 900,000

Employer health insurance contribution reduction
The amount appropriated is for a onetime employer contribution rate
reduction for employee health insurance in fiscal year 2019-2020. The
joint legislative budget committee staff shall determine and the
department of administration shall allocate to each agency or department
an amount for the health insurance contribution adjustment. The joint
legislative budget committee staff shall also determine and the department
of administration shall allocate adjustments, as necessary, in expenditure
authority to implement the reduction in employer health insurance
contribution rates. The joint legislative budget committee staff shall
use the overall allocation of state general fund and appropriated tuition
monies for each university in determining that university's specific
adjustment.

Employer health insurance contribution increase
The amount appropriated is for a onetime employer contribution rate
increase for employee health insurance in fiscal year 2019-2020. The
joint legislative budget committee staff shall determine and the
department of administration shall allocate to each agency or department
an amount for the health insurance contribution adjustment. The joint
legislative budget committee staff shall also determine and the department
of administration shall allocate adjustments, as necessary, in expenditure
authority to implement the increase in employer health insurance
contribution rates. The joint legislative budget committee staff shall
use the overall allocation of state general fund and appropriated tuition
monies for each university in determining that university's specific
adjustment.
Elected officials retirement adjustments
The amount appropriated is for elected officials retirement contribution rate adjustments in fiscal year 2019-2020. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the retirement adjustment. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the elected officials retirement adjustment. The amount includes state funding for elected officials retirement adjustments for the portion of superior court judges' salaries paid by the state.

Agency retirement adjustments
The amount appropriated is for agency retirement adjustments in fiscal year 2019-2020. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the agency retirement. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the agency retirement adjustments.

Agency risk management adjustments
The amount appropriated is for agency risk management premium adjustments in fiscal year 2019-2020. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the risk management adjustments. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the risk management adjustments.

Agency rent adjustments
The amount appropriated is for agency rent adjustments for agencies relocating to and within state-owned and lease-purchase buildings in fiscal year 2019-2020. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the rent adjustment. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the agency rent adjustments.

State building rent increases
The amount appropriated for state building rent increases is for rental rate increases at state-owned buildings in fiscal year 2019-2020. These adjustments reflect an increase in the rentable square foot rental rate for state-owned space as prescribed in the fiscal year 2019-2020 budget procedures budget reconciliation bill. The rate increases from $16.08 to $17.87 per square foot for office space and from $5.79 to $6.43 per square foot for storage space. The joint legislative budget committee
staff shall determine and the department of administration shall allocate
to each agency or department an amount for the rent increase. The joint
legislative budget committee staff shall also determine and the department
of administration shall allocate adjustments, as necessary, in expenditure
authority to allow implementation of the state building rent increase.

Shared services adjustments

The amount appropriated is for shared services adjustments for
agencies located in the 1740 West Adams building and share administrative
services in fiscal year 2019-2020. The joint legislative budget committee
staff shall determine and the department of administration shall allocate
to each agency or department an amount for the shared services
adjustments. The joint legislative budget committee staff shall also
determine and the department of administration shall allocate adjustments,
as necessary, in expenditure authority to allow implementation of the
shared services adjustments.

Correctional officer retirement adjustments

The amount appropriated is for correctional officer retirement
adjustments in fiscal year 2019-2020. The joint legislative budget
committee staff shall determine and the department of administration shall
allocate to each agency or department an amount for the correctional
officer retirement adjustments.

Information technology pro rata adjustments

The amount appropriated is for information technology pro rata
adjustments in fiscal year 2019-2020. These adjustments reflect an
increase in the information technology prorated amount from .30 percent to
.43 percent as prescribed in the fiscal year 2019-2020 budget procedures
budget reconciliation bill. The joint legislative budget committee staff
shall determine and the department of administration shall allocate to
each agency or department an amount for the pro rata adjustment. The
joint legislative budget committee staff shall also determine and the
department of administration shall allocate adjustments, as necessary, in
expenditure authority to allow implementation of the information
technology pro rata adjustments.

Sec. 172. Appropriations; employee salary increase; fiscal
year 2019-2020; report

A. The following amounts are appropriated in fiscal year 2019-2020
to the following agencies for an employee salary increase:

1. Arizona department of agriculture $ 29,900
   Fund sources:
   State general fund $ 29,900

2. Attorney general – department of law $ 75,500
   Fund sources:
   State general fund $ 54,800
   Consumer protection-consumer fraud revolving fund 11,700
1. Collection enforcement revolving fund $ 9,000

3. Department of child safety $ 6,422,400
   Fund sources:
   State general fund $ 5,459,000
   DCS expenditure authority $ 963,400

4. Corporation commission $ 18,500
   Fund sources:
   Securities regulatory and enforcement fund $ 15,600
   Investment management regulatory and enforcement fund $ 2,900

5. State department of corrections $35,479,300
   Fund sources:
   State general fund $35,479,300

6. Arizona game and fish department $ 485,700
   Fund sources:
   Game and fish fund $ 478,600
   Watercraft licensing fund $ 7,100

7. Department of health services $ 2,793,400
   Fund sources:
   State general fund $ 2,793,400

8. Department of insurance $ 19,900
   Fund sources:
   State general fund $ 19,900

9. Department of juvenile corrections $ 3,241,300
   Fund sources:
   State general fund $ 3,241,300

10. Department of liquor licenses and control $ 85,800
    Fund sources:
    Liquor licenses fund $ 85,800

11. Arizona state parks board $ 75,300
    Fund sources:
    State parks revenue fund $ 75,300

12. Department of public safety $21,490,100
    Fund sources:
    State general fund $21,490,100

13. Department of transportation $ 510,000
    Fund sources:
    State highway fund $ 510,000

B. The legislature intends that the monies appropriated in subsection A of this section fund salary increases for the following positions:
1. Arizona department of agriculture
   Livestock officers

2. Attorney general — department of law
   Investigators

3. Department of child safety
   Caseworkers
   Case aides
   Program supervisors
   Program specialists
   Entry-level administration

4. Corporation commission
   Securities division — special investigators

5. State department of corrections
   Security/correctional officers 10.00%
   Education/teachers 9.17%
   Correctional records 5.00%
   Counseling/treatment 13.16%
   Religion 5.00%

6. Arizona game and fish department
   Wildlife law enforcement
   Wildlife managers

7. Department of health services
   Behavioral health technicians
   Nurses
   Security

8. Department of insurance
   Insurance fraud investigators

9. Department of juvenile corrections
   Security/correctional officers 14.90%
   Education/teachers 8.45%

10. Department of liquor licenses and control
    Investigators

11. Arizona state parks board
    Park ranger — law enforcement officers

12. Department of public safety
    Sworn positions 10.00%
    Civilian positions 5.00%

13. Department of transportation
    Enforcement and compliance officers
C. Agencies shall adjust their step plans and salary schedules to conform to the actual salary increases implemented for each position type.

D. On or before September 1, 2019, the governor’s office of strategic planning and budgeting shall submit a report to the staff of the joint legislative budget committee detailing the actual implemented salary increases by position.

Sec. 173. Department of law; general agency counsel charges; fiscal year 2019-2020

Pursuant to section 41-191.09, Arizona Revised Statutes, the following state agencies and departments are charged the following amounts in fiscal year 2019-2020 for general agency counsel provided by the department of law:

1. Department of administration $127,700
2. Office of administrative hearings $3,000
3. Arizona arts commission $3,100
4. Automobile theft authority $1,400
5. Citizens clean elections commission $2,700
6. State department of corrections $2,000
7. Arizona criminal justice commission $8,700
8. Arizona state schools for the deaf and the blind $100,200
9. Commission for the deaf and the hard of hearing $4,100
10. Arizona early childhood development and health board $47,100
11. Department of education $132,000
12. Department of emergency and military affairs $30,000
13. Department of environmental quality $135,600
14. Arizona exposition and state fair board $20,900
15. Arizona department of financial institutions $1,900
16. Department of forestry and fire management $13,400
17. Department of gaming $37,300
18. Department of health services $173,800
19. Arizona historical society $700
20. Arizona department of housing $19,300
21. Department of insurance $10,500
22. Department of juvenile corrections $9,400
23. State land department $2,100
24. Department of liquor licenses and control $11,400
25. Arizona state lottery commission $24,800
26. Arizona state parks board $45,800
27. State personnel board $600
28. Arizona pioneers' home $12,100
29. Commission for postsecondary education $1,800
30. Department of public safety $677,400
31. Arizona state retirement system $69,100
32. Department of revenue $4,900
33. Department of state - secretary of state $1,800
34. State treasurer $9,200
35. Department of veterans' services $52,700

Other Provisions
Sec. 174. Legislative intent; expenditure reporting
The legislature intends that all departments, agencies and budget units receiving appropriations under the terms of this act continue to report actual, estimated and requested expenditures by budget programs and budget classes in a format that is similar to the budget programs and budget classes used for budgetary purposes in prior years. A different format may be used if deemed necessary to implement section 35-113, Arizona Revised Statutes, agreed to by the director of the joint legislative budget committee and incorporated into the budget preparation instructions adopted by the governor's office of strategic planning and budgeting pursuant to section 35-112, Arizona Revised Statutes.

Sec. 175. FTE positions; reporting; definition
Full-time equivalent (FTE) positions contained in this act are subject to appropriation. The director of the department of administration shall account for the use of all appropriated and nonappropriated FTE positions, excluding those in the universities. The director of the department of administration shall submit the fiscal year 2019-2020 report on or before October 1, 2020 to the director of the joint legislative budget committee. The report shall compare the level of appropriated FTE usage in each fiscal year to the appropriated level. For the purposes of this section, "FTE positions" means the total number of hours worked, including both regular and overtime hours as well as hours taken as leave, divided by the number of hours in a work year. The director of the department of administration shall notify the director of a budget unit if the budget unit's appropriated FTE usage has exceeded its number of appropriated FTE positions. The universities shall each report to the director of the joint legislative budget committee in a manner comparable to the department of administration reporting.

Sec. 176. Filled FTE positions; reporting
On or before October 1, 2019, each agency, including the judiciary and universities, shall submit a report to the director of the joint legislative budget committee on the number of filled appropriated and nonappropriated FTE positions, by fund source, as of September 1, 2019.

Sec. 177. Transfer of spending authority
The department of administration shall report monthly to the director of the joint legislative budget committee any transfers of
spending authority made pursuant to section 35-173, subsection C, Arizona Revised Statutes, during the prior month.

Sec. 178. Interim reporting requirements
   A. State general fund revenue for fiscal year 2018-2019, including a beginning balance of $449,632,000 and other onetime revenues, is forecasted to be $11,428,600,000.
   B. State general fund revenue for fiscal year 2019-2020, including onetime revenues, is forecasted to be $11,917,600,000.
   C. State general fund revenue for fiscal year 2020-2021, including onetime revenues, is forecasted to be $11,514,400,000. State general fund expenditures for fiscal year 2020-2021 are forecasted to be $11,472,900,000.
   D. State general fund revenue for fiscal year 2021-2022, including onetime revenues, is forecasted to be $11,923,400,000. State general fund expenditures for fiscal year 2021-2022 are forecasted to be $11,918,400,000.
   E. The executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2018-2019 state general fund ending balance on or before September 15, 2019. The estimate shall include projections of total revenues, total expenditures and ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.
   F. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee on or before October 15, 2019 whether the fiscal year 2019-2020 revenues and ending balance are expected to change by more than $50,000,000 from the budgeted projections. The joint legislative budget committee staff may make technical adjustments to the revenue and expenditure estimates in this section to reflect other bills enacted into law. The executive branch may also provide its own estimates to the joint legislative budget committee on or before October 15, 2019.

Sec. 179. Definition
   For the purposes of this act, "*" means this appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 180. Definition
   For the purposes of this act, "expenditure authority" means that the fund sources are continuously appropriated monies that are included in the individual line items of appropriations.

Sec. 181. Definition
   For the purposes of this act, "review by the joint legislative budget committee" means a review by a vote of a majority of a quorum of the members of the joint legislative budget committee.
APPROVED BY THE GOVERNOR MAY 31, 2019.