

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

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)

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

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

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

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

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

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

24 Sec. 3. Laws 2017, chapter 305, section 115, as amended by Laws
25 2018, chapter 276, section 2, is amended to read:

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

28 Appropriations

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

34 1. \$1,500,000 for project management of statewide automation and
35 information technology projects.

36 2. \$500,000 for a feasibility study to replace the human resource
37 information system. The department may use the monies to upgrade the
38 current system.

39 3. \$3,405,100 for improving and maintaining network and security
40 infrastructure.

41 4. \$7,303,500 for enhancing statewide data security.

42 5. \$500,000 for projects related to e-government.

1 B. The following amounts are appropriated from the automation
2 projects fund established by section 41-714, Arizona Revised Statutes, in
3 fiscal year 2017-2018 to the department of administration for the
4 following automation and information technology projects:

- 5 1. \$595,500 to implement a statewide e-licensing system.
- 6 2. \$3,200,000 to implement e-licensing projects at the department
7 of environmental quality.
- 8 3. \$1,017,400 to implement upgrades to the claims processing system
9 operated by the industrial commission of Arizona.
- 10 4. \$3,497,400 to implement updates to the information technology
11 system operated by the Arizona state lottery commission.
- 12 5. \$2,500,000 to update the microwave backbone statewide
13 communication system at the department of public safety.
- 14 6. \$2,343,000 to implement updates to the criminal justice
15 information system operated by the department of public safety.
- 16 7. \$7,300,000 for implementing, upgrading and maintaining the
17 education learning and accountability system established pursuant to
18 section 15-249, Arizona Revised Statutes.
- 19 8. \$11,000,000 for implementing upgrades to the information
20 technology infrastructure at the department of revenue.
- 21 9. \$11,100,000 for implementing upgrades to the children's
22 information library and data source system at the department of child
23 safety.

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

32 Quarterly Report

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

38 Nonlapsing

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

44 F. For the funding for projects at the department of
45 administration, excluding the e-procurement system replacement project,

1 the department of child safety, the department of economic security and
2 the department of education, any remaining balances on June 30, 2017 in
3 the automation projects fund established by section 41-714, Arizona
4 Revised Statutes, from monies appropriated in fiscal year 2016-2017 are
5 appropriated to the department of administration in fiscal year 2017-2018
6 for the same purposes specified in fiscal year 2016-2017. The department
7 of administration shall report in its quarterly report to the joint
8 legislative budget committee any fiscal year 2017-2018 expenditure of
9 remaining balances from fiscal year 2016-2017 from the automation projects
10 fund.

11 G. For the funding for the department of administration
12 e-procurement system replacement project and the state department of
13 corrections inmate information management system replacement, any
14 remaining balances on June 30, 2017 in the automation projects fund
15 established by section 41-714, Arizona Revised Statutes, are appropriated
16 through fiscal year ~~2018-2019~~ 2019-2020 for the same purpose as specified
17 in fiscal year 2016-2017.

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

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

36 J. For the funding for the department of economic security's
37 information technology security project, any remaining balances on June
38 30, 2017 in the automation projects fund established by section 41-714,
39 Arizona Revised Statutes, from monies appropriated in fiscal year
40 2015-2016 for the information technology security project at the
41 department of economic security are appropriated to the department of
42 administration in fiscal year 2017-2018 for the same purposes specified in
43 fiscal year 2015-2016. The department of administration shall report in
44 its quarterly report to the joint legislative budget committee any fiscal

1 year 2017-2018 expenditure of remaining balances from fiscal year
2 2015-2016 from the automation projects fund.

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

11 L. For the funding for the department of child safety's replacement
12 of the children's information library and data source system project, any
13 remaining balances on June 30, 2017 in the automation projects fund
14 established by section 41-714, Arizona Revised Statutes, from monies
15 appropriated in fiscal year 2014-2015 for the replacement of the
16 children's information and data source system project at the department of
17 child safety are appropriated to the department of administration in
18 fiscal year 2017-2018 for the same purposes specified in fiscal year
19 2014-2015. The department of administration shall report in its quarterly
20 report to the joint legislative budget committee any fiscal year 2017-2018
21 expenditure of remaining balances from fiscal year 2014-2015 from the
22 automation projects fund.

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

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

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

30 Appropriations

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

- 36 1. \$4,697,000 to relocate the state data center.
- 37 2. \$821,900 to update the state's human resource information
38 system.
- 39 3. \$500,000 for projects related to e-government.
- 40 4. \$3,000,000 to replace the state's e-procurement system.

41 ~~B. The sum of \$450,000 is appropriated from the statewide board~~
42 ~~e-licensing subaccount in the automation projects fund established by~~
43 ~~section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the~~
44 ~~department of administration to include the board of behavioral health~~
45 ~~examiners in the statewide e-licensing project. The department must~~

~~1 receive approval for the statewide e-licensing project from the
2 information technology authorization committee pursuant to section 18-121,
3 Arizona Revised Statutes, before requesting review from the joint
4 legislative budget committee pursuant to section 41-714, Arizona Revised
5 Statutes.~~

~~6~~ ~~C.~~ B. The sum of \$5,000,000 is appropriated from the department of
7 child safety subaccount in the automation projects fund established by
8 section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the
9 department of administration to implement upgrades to the children's
10 information library and data source system at the department of child
11 safety.

~~12~~ ~~D.~~ C. The sum of \$3,200,000 is appropriated from the department of
13 environmental quality subaccount in the automation projects fund
14 established by section 41-714, Arizona Revised Statutes, in fiscal year
15 2018-2019 to the department of administration to implement e-licensing
16 projects at the department of environmental quality.

~~17~~ ~~E.~~ D. The sum of \$1,400,000 is appropriated from the department of
18 financial institutions subaccount in the automation projects fund
19 established by section 41-714, Arizona Revised Statutes, in fiscal year
20 2018-2019 to the department of administration for e-licensing development
21 at the department of financial institutions.

~~22~~ ~~F.~~ E. The following amounts are appropriated from the department
23 of public safety subaccount in the automation projects fund established by
24 section 41-714, Arizona Revised Statutes, in fiscal year 2018-2019 to the
25 department of administration for the following statewide automation and
26 information technology projects at the department of public safety:

27 1. \$1,250,000 to update the microwave backbone statewide
28 communication system.

29 2. \$2,806,200 to implement updates to the criminal justice
30 information system.

31 Quarterly Report

~~32~~ ~~G.~~ F. The department of administration shall submit to the joint
33 legislative budget committee, within thirty days after the last day of
34 each calendar quarter, a quarterly report on implementing projects
35 approved by the information technology authorization committee established
36 by section 18-121, Arizona Revised Statutes, including the projects'
37 expenditures to date, deliverables, timeline for completion and current
38 status.

39 Nonlapsing

40 ~~H.~~ G. The amounts appropriated pursuant to this section from the
41 automation projects fund established by section 41-714, Arizona Revised
42 Statutes, in fiscal year 2018-2019 are exempt from the provisions of
43 section 35-190, Arizona Revised Statutes, relating to lapsing of
44 appropriations until June 30, 2020.

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

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

6 Sec. 141. Appropriations; fund balance transfers; fiscal year
7 2018-2019; automation projects fund

8 A. The sum of \$5,000,000 is appropriated from the state general
9 fund in fiscal year 2018-2019 for deposit in the department of child
10 safety subaccount in the automation projects fund established by section
11 41-714, Arizona Revised Statutes, to upgrade the children's information
12 library and data source system at the department of child safety.

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

17 1. \$5,330,000 from the automation operations fund established by
18 section 41-714, Arizona Revised Statutes, to manage statewide automation
19 and information technology projects.

20 2. \$3,517,000 from the state web portal fund established by section
21 18-421, Arizona Revised Statutes, for information technology projects at
22 the department of administration.

23 3. \$171,900 from the personnel division fund established pursuant
24 to section 41-750, Arizona Revised Statutes, to upgrade the state's human
25 resource information system.

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

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

37 1. \$1,400,000 from the underground storage tank revolving fund
38 established by section 49-1015, Arizona Revised Statutes.

39 2. \$1,800,000 from the permit administration fund established by
40 section 49-455, Arizona Revised Statutes.

41 ~~E.~~ D. Notwithstanding any other law, the amount of \$1,400,000 is
42 transferred from the department receivership revolving fund established by
43 section 6-135.01, Arizona Revised Statutes, in fiscal year 2018-2019 for
44 deposit in the department of financial institutions subaccount in the

1 automation projects fund established by section 41-714, Arizona Revised
 2 Statutes, for e-licensing projects.

3 ~~F.~~ E. Notwithstanding any other law, the following amounts are
 4 transferred from the following funds in fiscal year 2018-2019 for deposit
 5 in the department of public safety subaccount in the automation projects
 6 fund established by section 41-714, Arizona Revised Statutes:

7 1. \$1,250,000 from the public safety equipment fund established by
 8 section 41-1723, Arizona Revised Statutes, to update the microwave
 9 backbone statewide communication system.

10 2. \$2,806,200 from the Arizona highway patrol fund established by
 11 section 41-1752, Arizona Revised Statutes, for upgrades to the criminal
 12 justice information system.

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

17 Sec. 6. ARIZONA STATE BOARD OF ACCOUNTANCY

	<u>2019-20</u>
18 FTE positions	14.0
19 Lump sum appropriation	\$ 2,037,900
20 Fund sources:	
21 Board of accountancy fund	\$ 2,037,900

22 Sec. 7. ACUPUNCTURE BOARD OF EXAMINERS

	<u>2019-20</u>
24 FTE positions	1.0
25 Lump sum appropriation	\$ 169,700
26 Fund sources:	
27 Acupuncture board of examiners	
28 fund	\$ 169,700

29 Sec. 8. DEPARTMENT OF ADMINISTRATION

	<u>2019-20</u>
31 FTE positions	550.1
32 Operating lump sum appropriation	\$ 97,407,700
33 Utilities	7,649,900
34 Arizona financial information	
35 system	9,447,700
36 Risk management administrative	
37 expenses	8,747,200
38 Risk management losses and	
39 premiums	46,178,400
40 Workers' compensation losses	
41 and premiums	31,830,300
42 Statewide information security	
43 and privacy operations and	
44 controls	6,359,500

1	Information technology project	
2	management and oversight	1,500,000
3	State surplus property sales	
4	agency proceeds	1,810,000
5	Southwest defense contracts	25,000
6	Government transformation office	2,000,000
7	Public safety regional	
8	communications	<u>271,000</u>
9	Total appropriation – department of	
10	administration	\$213,226,700
11	Fund sources:	
12	State general fund	\$ 8,210,100
13	Air quality fund	927,300
14	Arizona financial information	
15	system collections fund	9,447,700
16	Automation operations fund	31,399,800
17	Capital outlay stabilization fund	18,136,300
18	Corrections fund	572,500
19	Federal surplus materials revolving	
20	fund	464,900
21	Information technology fund	8,436,000
22	Motor vehicle pool revolving fund	10,162,600
23	Personnel division fund	12,747,800
24	Risk management revolving fund	94,569,100
25	Special employee health insurance	
26	trust fund	5,283,800
27	Special services revolving fund	1,190,700
28	State surplus materials revolving	
29	fund	2,963,700
30	State web portal fund	6,798,100
31	Telecommunications fund	1,916,300

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

36 The appropriation from the automation operations fund established by
 37 section 41-711, Arizona Revised Statutes, is an estimate representing all
 38 monies, including balance forward, revenues and transfers during fiscal
 39 year 2019-2020. These monies are appropriated to the department of
 40 administration for the purposes established in section 41-711, Arizona
 41 Revised Statutes. The appropriation is adjusted as necessary to reflect
 42 monies credited to the automation operations fund for automation operation
 43 center projects. Before spending any automation operations fund monies in
 44 excess of \$31,399,800 in fiscal year 2019-2020, the department shall

1 report the intended use of the monies to the joint legislative budget
2 committee.

3 On or before September 1, 2020, the department shall submit a report
4 for review by the joint legislative budget committee on the results of
5 pilot projects implemented in fiscal year 2019-2020 for the state employee
6 public transportation service reimbursements pursuant to section
7 41-710.01, Arizona Revised Statutes, in a vehicle emissions control area
8 as defined in section 49-541, Arizona Revised Statutes, of a county with a
9 population of more than four hundred thousand persons.

10 The legislature intends that the department not replace vehicles
11 until they have an average of 80,000 miles or more. On or before August
12 1, 2019, the department shall submit a report to the joint legislative
13 budget committee on the maintenance savings achieved by replacing vehicles
14 that have an average of 80,000 miles or more.

15 All state surplus materials revolving fund monies received by the
16 department of administration in excess of \$2,963,700 in fiscal year
17 2019-2020 are appropriated to the department. Before spending state
18 surplus materials revolving fund monies in excess of \$2,963,700 in fiscal
19 year 2019-2020, the department shall report the intended use of the monies
20 to the joint legislative budget committee.

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

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

27 Sec. 9. OFFICE OF ADMINISTRATIVE HEARINGS

28			<u>2019-20</u>
29	FTE positions		12.0
30	Lump sum appropriation	\$	868,900
31	Fund sources:		
32	State general fund	\$	868,900

33 Sec. 10. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS

34			<u>2019-20</u>
35	FTE positions		3.0
36	Lump sum appropriation	\$	127,200
37	Fund sources:		
38	State general fund	\$	127,200

39 Sec. 11. ARIZONA DEPARTMENT OF AGRICULTURE

40			<u>2019-20</u>
41	FTE positions		203.4
42	Operating lump sum appropriation	\$	11,394,100
43	Agricultural employment relations		
44	board		23,300

1	Animal damage control	65,000
2	Red imported fire ant control	23,200
3	Agricultural consulting and	
4	training	<u>128,500</u>
5	Total appropriation – Arizona department	
6	of agriculture	\$ 11,634,100
7	Fund sources:	
8	State general fund	\$ 10,188,900
9	Air quality fund	1,445,200
10	The operating lump sum appropriation includes \$137,000 and 1 FTE	
11	position for an additional dairy inspector and for personal services,	
12	employee-related expenditures, salary increases and related expenditures	
13	for dairy inspectors.	
14	Sec. 12. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
15		<u>2019-20</u>
16	FTE positions	2,339.3
17	Operating lump sum appropriation	\$ 91,485,300
18	<u>Administration</u>	
19	ADOA data center	19,325,800
20	DES eligibility	88,874,500
21	Proposition 204 – AHCCCS	
22	administration	13,143,500
23	Proposition 204 – DES eligibility	44,358,700
24	<u>Medicaid services</u>	
25	Traditional medicaid services	5,179,189,700
26	Proposition 204 services	4,168,410,500
27	Adult expansion services	527,018,800
28	Comprehensive medical and	
29	dental program	180,729,500
30	KidsCare services	106,516,300
31	ALTCS services	1,796,913,800
32	Behavioral health services	
33	in schools	9,990,000
34	<u>Nonmedicaid behavioral health services</u>	
35	Crisis services	16,391,300
36	Nonmedicaid seriously mentally	
37	ill services	77,646,900
38	Supported housing	5,324,800
39	<u>Hospital payments</u>	
40	Disproportionate share payments	5,087,100
41	Disproportionate share payments –	
42	voluntary match	40,980,200
43	Rural hospitals	28,612,400
44	Graduate medical education	303,551,500

1	Safety net care pool	0
2	Targeted investments program	<u>90,000,000</u>
3	Total appropriation and expenditure	
4	authority – Arizona health	
5	care cost containment system	\$12,793,550,600
6	Fund sources:	
7	State general fund	\$ 1,759,949,900
8	Budget neutrality compliance fund	3,906,400
9	Children's health insurance	
10	program fund	104,642,000
11	Prescription drug rebate	
12	fund – state	148,458,800
13	Substance abuse services fund	2,250,200
14	Tobacco products tax fund –	
15	emergency health services	
16	account	16,216,300
17	Tobacco tax and health care	
18	fund – medically needy account	61,752,600
19	Expenditure authority	10,696,374,400

20 Operating budget

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

27 The amounts included in the proposition 204 – AHCCCS administration,
 28 proposition 204 – DES eligibility and proposition 204 services line items
 29 include all available sources of funding consistent with section
 30 36-2901.01, subsection B, Arizona Revised Statutes.

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

1 Medical services and behavioral health services

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

6 The Arizona health care cost containment system administration shall
7 report to the joint legislative budget committee on or before March 1,
8 2020 on preliminary actuarial estimates of the capitation rate changes for
9 the following fiscal year along with the reasons for the estimated
10 changes. For any actuarial estimates that include a range, the total
11 range from minimum to maximum may not be more than two percent. Before
12 implementing any changes in capitation rates, the administration shall
13 report its expenditure plan for review by the joint legislative budget
14 committee. Before the administration implements any change in policy
15 affecting the amount, sufficiency, duration and scope of health care
16 services and who may provide services, the administration shall prepare a
17 fiscal impact analysis on the potential effects of this change on the
18 following year's capitation rates. If the fiscal impact analysis
19 demonstrates that this change will result in additional state costs of
20 \$500,000 or more for any fiscal year, the administration shall submit the
21 policy change for review by the joint legislative budget committee.

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

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

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

34 On or before June 30, 2020, the Arizona health care cost containment
35 system administration shall report to the joint legislative budget
36 committee on the progress in implementing the Arnold v. Sarn lawsuit
37 settlement. The report shall include, at a minimum, the administration's
38 progress toward meeting all criteria specified in the 2014 joint
39 stipulation, including the development and estimated cost of additional
40 behavioral health service capacity in Maricopa county for supported
41 housing services for 1,200 class members, supported employment services
42 for 750 class members, eight assertive community treatment teams and
43 consumer operated services for 1,500 class members. The administration
44 shall also report by fund source the amounts it plans to use to pay for
45 expanded services.

1 Long-term care

2 Any federal monies that the Arizona health care cost containment
3 system administration passes through to the department of economic
4 security for use in long-term care for persons with developmental
5 disabilities do not count against the long-term care expenditure authority
6 above.

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

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

21 Payments to hospitals

22 The \$5,087,100 appropriation for disproportionate share payments for
23 fiscal year 2019-2020 made pursuant to section 36-2903.01, subsection 0,
24 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
25 health care district and \$884,800 for private qualifying disproportionate
26 share hospitals.

27 Any monies received for disproportionate share hospital payments
28 from political subdivisions of this state, tribal governments and any
29 university under the jurisdiction of the Arizona board of regents, and any
30 federal monies used to match those payments, in fiscal year 2019-2020 by
31 the Arizona health care cost containment system administration in excess
32 of \$40,980,200 are appropriated to the administration in fiscal year
33 2019-2020. Before spending these increased monies, the administration
34 shall notify the joint legislative budget committee and the governor's
35 office of strategic planning and budgeting of the amount of monies that
36 will be spent under this provision.

37 The expenditure authority fund source includes voluntary payments
38 made from political subdivisions for payments to hospitals that operate a
39 graduate medical education program or treat low-income patients and for
40 payments to qualifying providers affiliated with teaching hospitals. The
41 political subdivision portions of the fiscal year 2019-2020 costs of
42 graduate medical education, disproportionate share payments – voluntary
43 match, safety net care pool, traditional medicaid services, proposition
44 204 services and adult expansion services line items are included in the
45 expenditure authority fund source.

1 Any monies for graduate medical education received in fiscal year
2 2019-2020, including any federal matching monies, by the Arizona health
3 care cost containment system administration in excess of \$303,551,500 are
4 appropriated to the administration in fiscal year 2019-2020. Before
5 spending these increased monies, the administration shall notify the joint
6 legislative budget committee and the governor's office of strategic
7 planning and budgeting of the amount of monies that will be spent under
8 this provision.

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

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

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

36 Any monies received for the safety net care pool by the Arizona
37 health care cost containment system administration in fiscal year
38 2019-2020, including any federal matching monies, are appropriated to the
39 administration in fiscal year 2019-2020. Before spending these monies,
40 the administration shall notify the joint legislative budget committee and
41 the governor's office of strategic planning and budgeting of the amount of
42 monies that will be spent under this provision.

1 Other

2 On or before July 1, 2020, the Arizona health care cost containment
 3 system administration shall report to the director of the joint
 4 legislative budget committee the total amount of medicaid reconciliation
 5 payments and penalties received on or before that date since July 1, 2019.

6 The nonappropriated portion of the prescription drug rebate fund
 7 established by section 36-2930, Arizona Revised Statutes, is included in
 8 the federal portion of the expenditure authority fund source.

9 Sec. 13. BOARD OF ATHLETIC TRAINING

		<u>2019-20</u>
11	FTE positions	1.5
12	Lump sum appropriation	\$ 123,500
13	Fund sources:	
14	Athletic training fund	\$ 123,500

15 Sec. 14. ATTORNEY GENERAL – DEPARTMENT OF LAW

		<u>2019-20</u>
17	FTE positions	607.7
18	Operating lump sum appropriation	\$ 53,936,400
19	Capital postconviction prosecution	802,300
20	Child and family advocacy centers	500,000
21	Internet crimes against children	
22	enforcement	1,250,000
23	Federalism unit	1,004,500
24	Government accountability and	
25	special litigation	1,211,400
26	Peace officer equipment grants	2,500,000
27	Peace officer memorial fund deposit	1,000,000
28	Risk management interagency	
29	service agreement	9,570,000
30	State grand jury	181,000
31	Southern Arizona law enforcement	1,524,200
32	Tobacco enforcement	823,000
33	Victims' rights	3,766,800
34	Voter fraud unit	<u>530,000</u>
35	Total appropriation – attorney general –	
36	department of law	\$ 78,599,600
37	Fund sources:	
38	State general fund	\$ 24,355,300
39	Antitrust enforcement revolving	
40	fund	148,500
41	Attorney general legal services	
42	cost allocation fund	2,102,800

1	Collection enforcement revolving	
2	fund	6,904,500
3	Consumer protection-consumer	
4	fraud revolving fund	14,423,100
5	Interagency service agreements fund	16,428,600
6	Internet crimes against children	
7	enforcement fund	900,000
8	Risk management revolving fund	9,570,000
9	Victims' rights fund	3,766,800

10 All monies appropriated to the attorney general legal services line
11 item in the department of child safety budget do not count toward the
12 attorney general's interagency service agreements fund appropriation in
13 fiscal year 2019-2020.

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

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

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

28 Of the amount appropriated to the child and family advocacy centers
29 line item, \$400,000 is a onetime appropriation from the consumer
30 protection-consumer fraud revolving fund established by section
31 44-1531.01, Arizona Revised Statutes, for fiscal year 2019-2020.

32 The sum of \$950,000 in fiscal year 2020-2021, the sum of \$2,350,000
33 in fiscal year 2021-2022 and the sum of \$2,350,000 in fiscal year
34 2022-2023 are appropriated from the consumer protection-consumer fraud
35 revolving fund established by section 44-1531.01, Arizona Revised
36 Statutes, to the attorney general for operating expenses of the criminal
37 division.

38 On or before March 1, 2020, the department shall report to the
39 president of the senate, the speaker of the house of representatives, the
40 director of the joint legislative budget committee and the director of the
41 governor's office of strategic planning and budgeting on the distributions
42 from the peace officer equipment grants line item.

1 The amount appropriated to the peace officer memorial fund deposit
 2 line item is for deposit in the Arizona peace officers memorial fund
 3 established by section 41-1829.02, Arizona Revised Statutes. Before the
 4 expenditure of any monies in the line item, the attorney general shall
 5 submit an expenditure plan for review by the joint legislative budget
 6 committee.

7 Sec. 15. AUTOMOBILE THEFT AUTHORITY

8		<u>2019-20</u>
9	FTE positions	6.0
10	Operating lump sum appropriation	\$ 651,200
11	Arizona vehicle theft task force	3,650,000
12	Local grants	957,700
13	Reimbursable programs	<u>50,000</u>
14	Total appropriation – automobile theft	
15	authority	\$ 5,308,900

16 Fund sources:

17	Automobile theft authority fund	\$ 5,308,900
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18 The automobile theft authority shall submit a report to the joint
 19 legislative budget committee before spending any monies for the
 20 reimbursable programs line item. The authority shall show sufficient
 21 monies collected to cover the expenses indicated in the report.

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

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

28 Sec. 16. BOARD OF BARBERS

29		<u>2019-20</u>
30	FTE positions	4.0
31	Lump sum appropriation	\$ 401,100

32 Fund sources:

33	Board of barbers fund	\$ 401,100
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34 Sec. 17. BOARD OF BEHAVIORAL HEALTH EXAMINERS

35		<u>2019-20</u>
36	FTE positions	17.0
37	Lump sum appropriation	\$ 1,772,300

38 Fund sources:

39	Board of behavioral health	
40	examiners fund	\$ 1,772,300

1	Sec. 18. STATE BOARD FOR CHARTER SCHOOLS	
2		<u>2019-20</u>
3	FTE positions	19.0
4	Lump sum appropriation	\$ 1,602,600
5	Fund sources:	
6	State general fund	\$ 1,602,600
7	Sec. 19. DEPARTMENT OF CHILD SAFETY	
8		<u>2019-20</u>
9	FTE positions	3,193.1
10	Operating lump sum appropriation	\$110,564,600
11	<u>Additional operating resources</u>	
12	Caseworkers	101,150,900
13	Attorney general legal services	25,522,800
14	General counsel	155,900
15	Inspections bureau	2,479,300
16	New case aides	3,073,700
17	Office of child welfare	
18	investigations	9,633,000
19	Overtime pay	8,390,900
20	Records retention staff	594,200
21	Training resources	9,150,000
22	<u>Out-of-home placements</u>	
23	Congregate group care	98,900,100
24	Foster home placement	52,595,500
25	Foster home recruitment, study	
26	and supervision	32,753,600
27	Independent living maintenance	4,660,000
28	Kinship care	5,000,000
29	<u>Permanent placements</u>	
30	Adoption services	278,258,500
31	Permanent guardianship subsidy	12,516,900
32	<u>Support services</u>	
33	DCS child care subsidy	55,559,400
34	In-home mitigation	28,988,100
35	Out-of-home support services	153,910,900
36	Preventive services	<u>15,148,300</u>
37	Total appropriation and expenditure	
38	authority – department of	
39	child safety	\$1,009,006,600
40	Fund sources:	
41	State general fund	\$ 378,230,700
42	Federal child care and	
43	development fund block grant	34,400,000

1	Federal temporary assistance for	
2	needy families block grant	157,279,300
3	Child abuse prevention fund	1,459,300
4	Children and family services	
5	training program fund	207,100
6	Child safety expenditure authority	437,430,200

7 Additional operating resources

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

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

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

18 Out-of-home placements

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

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

1 Departmentwide

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

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

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

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

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

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

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

26 Benchmarks

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

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

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

39 For the purposes of this section, "open report" means a report that
40 is under investigation or awaiting closure by a supervisor.

1 On or before September 30, 2019, and on or before the last day of
 2 every calendar quarter through June 30, 2020, the department of child
 3 safety shall present a report for review by the joint legislative budget
 4 committee on the progress made in meeting the caseload standard and
 5 reducing the number of backlog cases and out-of-home children. The report
 6 shall include the number of backlog cases, the number of open reports, the
 7 number of out-of-home children and the caseworker workload in comparison
 8 to the previous quarter. The report shall provide the number of backlog
 9 cases by disposition, including the number of backlog cases in the
 10 investigation phase, the number of backlog cases associated with
 11 out-of-home placements and the number of backlog cases associated with
 12 in-home cases.

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

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

19 For open reports, the department's benchmark is to have fewer than
 20 8,000 open reports.

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

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

30 Sec. 20. STATE BOARD OF CHIROPRACTIC EXAMINERS

31		<u>2019-20</u>
32	FTE positions	5.0
33	Lump sum appropriation	\$ 429,700
34	Fund sources:	
35	Board of chiropractic examiners	
36	fund	\$ 429,700

37 Sec. 21. ARIZONA COMMUNITY COLLEGES

38		<u>2019-20</u>
39	<u>Equalization aid</u>	
40	Cochise	\$ 6,389,500
41	Graham	16,506,200
42	Navajo	<u>7,751,900</u>
43	Total – equalization aid	\$ 30,647,600

1	<u>Operating state aid</u>	
2	Cochise	\$ 4,623,500
3	Coconino	1,703,400
4	Gila	293,700
5	Graham	2,389,600
6	Mohave	1,175,300
7	Navajo	1,567,700
8	Pinal	1,452,000
9	Yavapai	601,400
10	Yuma/La Paz	<u>2,399,500</u>
11	Total – operating state aid	\$ 16,206,100
12	<u>STEM and workforce programs state aid</u>	
13	Cochise	\$ 996,200
14	Coconino	399,200
15	Gila	135,000
16	Graham	645,800
17	Mohave	455,000
18	Navajo	339,500
19	Pinal	96,500
20	Santa Cruz	26,900
21	Yavapai	703,100
22	Yuma/La Paz	<u>1,030,200</u>
23	Total – STEM and workforce programs	
24	state aid	\$ 4,827,400
25	Rural county reimbursement subsidy	\$ 1,273,800
26	Additional Gila workforce	
27	development aid	200,000
28	Diné college remedial education	<u>1,000,000</u>
29	Total appropriation – Arizona community	
30	colleges	\$ 54,154,900
31	Fund sources:	
32	State general fund	\$ 54,154,900
33	Of the \$1,273,800 appropriated to the rural county reimbursement	
34	subsidy line item, Apache county receives \$699,300 and Greenlee county	
35	receives \$574,500.	
36	On or before October 15, 2020, the Diné college board of regents	
37	shall submit to the governor, the speaker of the house of representatives,	
38	the president of the senate, the secretary of state and the joint	
39	legislative budget committee a report that details the course completion	
40	rate for students who received remedial education during the 2019-2020	
41	academic year.	

1	Sec. 22. REGISTRAR OF CONTRACTORS	
2		<u>2019-20</u>
3	FTE positions	105.6
4	Operating lump sum appropriation	\$ 11,282,500
5	Office of administrative hearings	
6	costs	<u>1,017,600</u>
7	Total appropriation – registrar of	
8	contractors	\$ 12,300,100
9	Fund sources:	
10	Registrar of contractors fund	\$ 12,300,100
11	Sec. 23. CORPORATION COMMISSION	
12		<u>2019-20</u>
13	FTE positions	300.9
14	Operating lump sum appropriation	\$ 26,802,700
15	Corporation filings, same-day	
16	service	401,200
17	Utilities audits, studies,	
18	investigations and hearings	<u>380,000*</u>
19	Total appropriation – corporation commission	\$ 27,583,900
20	Fund sources:	
21	State general fund	\$ 618,000
22	Arizona arts trust fund	50,700
23	Investment management regulatory	
24	and enforcement fund	714,700
25	Public access fund	6,713,000
26	Securities regulatory and	
27	enforcement fund	5,038,200
28	Utility regulation revolving fund	14,449,300
29	The \$401,200 appropriated from the public access fund for the	
30	corporation filings, same-day service line item reverts to the public	
31	access fund established by section 10-122.01, Arizona Revised Statutes, at	
32	the end of fiscal year 2019-2020 if the commission has not established a	
33	same-day service pursuant to section 10-122, Arizona Revised Statutes.	
34	Sec. 24. STATE DEPARTMENT OF CORRECTIONS	
35		<u>2019-20</u>
36	FTE positions	9,566.0
37	Operating lump sum appropriation	\$ 800,782,400
38	Private prison per diem	171,493,300
39	Community corrections	19,584,200
40	Inmate health care contracted	
41	services	<u>194,711,700</u>
42	Total appropriation – state department	
43	of corrections	\$1,186,571,600

1	Fund sources:	
2	State general fund	\$1,133,566,500
3	State education fund for	
4	correctional education	727,900
5	Alcohol abuse treatment fund	555,500
6	Penitentiary land fund	2,507,400
7	State charitable, penal and	
8	reformatory institutions	
9	land fund	2,661,500
10	Corrections fund	30,312,300
11	Transition program fund	2,400,100
12	Prison construction and operations	
13	fund	12,500,000
14	Inmate store proceeds fund	1,340,400

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

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

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

39 On or before August 1, 2019, the state department of corrections
 40 shall provide a report on bed capacity to the joint legislative budget
 41 committee for its review. The report shall reflect the bed capacity for
 42 each security classification by gender at each state-run and private
 43 institution, divided by rated and total beds. The report shall include
 44 bed capacity data for June 30, 2018 and June 30, 2019 and the projected
 45 capacity for June 30, 2020, as well as the reasons for any change within

1 that time period. Within the total bed count, the department shall
2 provide the number of temporary and special use beds. The report shall
3 also address the department's rationale for eliminating any permanent beds
4 rather than reducing the level of temporary beds. If the department
5 develops a plan after its August 1 report to open or close state-operated
6 prison rated beds or cancel or not renew contracts for privately operated
7 prison beds, the department shall submit a bed plan detailing the proposed
8 bed closures for review by the joint legislative budget committee before
9 implementing these changes.

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

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

26 Any monies used for the replacement of the adult inmate management
27 system are subject to review by the Arizona strategic enterprise
28 technology office and the information technology authorization committee
29 pursuant to section 18-121, Arizona Revised Statutes.

30 Before spending any monies for the replacement of the adult inmate
31 management system, the Arizona strategic enterprise technology office
32 shall submit, on behalf of the state department of corrections, an
33 expenditure plan to the joint legislative budget committee for review.
34 The expenditure plan shall include the project cost, deliverables,
35 timeline for completion and method of procurement consistent with the
36 department's prior reports for its appropriations from the automation
37 projects fund pursuant to section 41-714, Arizona Revised Statutes.

38 Of the amount appropriated for the private prison per diem line
39 item, \$17,466,700 shall be used to make a debt service payment on the
40 financing agreement authorized by Laws 2016, chapter 119, section 24.

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

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

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

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

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

32 The private prison per diem line item includes an increase of
 33 \$5,083,500 from the state general fund in fiscal year 2019-2020 for a ten
 34 percent salary increase for private prison correctional officers effective
 35 July 1, 2019.

36 Sec. 25. BOARD OF COSMETOLOGY

	<u>2019-20</u>
37	
38 FTE positions	24.5
39 Operating lump sum appropriation	\$ 1,887,100
40 Annual leave payout	<u>34,200</u>
41 Total appropriation – board of cosmetology	\$ 1,921,300
42 Fund sources:	
43 Board of cosmetology fund	\$ 1,921,300

1 The amount appropriated for the annual leave payout line item is a
 2 continuing appropriation and is exempt from the provisions of section
 3 35-190, Arizona Revised Statutes, relating to the lapsing of
 4 appropriations, until June 30, 2023.

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

10 Sec. 26. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2019-20</u>
11 FTE positions	11.0
12 Operating lump sum appropriation	\$ 1,262,000
13 State aid to county attorneys	973,700
14 Victim compensation and	
15 assistance	<u>4,222,400</u>
16 Total appropriation – Arizona criminal	
17 justice commission	\$ 6,458,100
18 Fund sources:	
19 Criminal justice enhancement fund	\$ 650,000
20 Resource center fund	612,000
21 State aid to county attorneys fund	973,700
22 Victim compensation and assistance	
23 fund	4,222,400

24 All victim compensation and assistance monies received by the
 25 Arizona criminal justice commission in excess of \$4,222,400 in fiscal year
 26 2019-2020 are appropriated to the crime victims program. Before spending
 27 any victim compensation and assistance fund monies in excess of \$4,222,400
 28 in fiscal year 2019-2020, the Arizona criminal justice commission shall
 29 report the intended use of the monies to the joint legislative budget
 30 committee.
 31

32 All monies received by the Arizona criminal justice commission in
 33 excess of \$973,700 in fiscal year 2019-2020 from the state aid to county
 34 attorneys fund established by section 11-539, Arizona Revised Statutes,
 35 are appropriated to the state aid to county attorneys program. Before
 36 spending any state aid to county attorneys fund monies in excess of
 37 \$973,700, the Arizona criminal justice commission shall report the
 38 intended use of the monies to the joint legislative budget committee.

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

	<u>2019-20</u>
40 FTE positions	562.2
41 Administration/statewide	\$ 6,423,300
42 Phoenix day school for the deaf	9,303,400

1	Tucson campus	13,761,300
2	Preschool/outreach programs	5,832,500
3	School bus replacement	<u>738,000</u>
4	Total appropriation – Arizona state schools	
5	for the deaf and the blind	\$ 36,058,500
6	Fund sources:	
7	State general fund	\$ 23,259,300
8	Schools for the deaf and the	
9	blind fund	12,799,200
10	Before spending any schools for the deaf and the blind fund monies	
11	in excess of \$12,799,200 in fiscal year 2019-2020, the Arizona state	
12	schools for the deaf and the blind shall report to the joint legislative	
13	budget committee the intended use of the monies.	
14	Sec. 28. COMMISSION FOR THE DEAF AND THE HARD OF HEARING	
15		<u>2019-20</u>
16	FTE positions	17.0
17	Operating lump sum appropriation	\$ 4,421,500
18	Support services for the	
19	deaf-blind	<u>192,000</u>
20	Total appropriation – commission for the	
21	deaf and the hard of hearing	\$ 4,613,500
22	Fund sources:	
23	Telecommunication fund for	
24	the deaf	\$ 4,613,500
25	Sec. 29. STATE BOARD OF DENTAL EXAMINERS	
26		<u>2019-20</u>
27	FTE positions	11.0
28	Lump sum appropriation	\$ 1,212,700
29	Fund sources:	
30	Dental board fund	\$ 1,212,700
31	Sec. 30. OFFICE OF ECONOMIC OPPORTUNITY	
32		<u>2019-20</u>
33	FTE positions	5.0
34	Lump sum appropriation	\$ 488,800
35	Fund sources:	
36	State general fund	\$ 488,800
37	Sec. 31. DEPARTMENT OF ECONOMIC SECURITY	
38		<u>2019-20</u>
39	FTE positions	4,377.8
40	Operating lump sum appropriation	\$158,621,400
41	<u>Administration</u>	
42	Attorney general legal services	10,998,700

1	<u>Aging and adult services</u>	
2	Adult services	8,731,900
3	Community and emergency services	3,724,000
4	Coordinated homeless services	2,522,600
5	Domestic violence prevention	14,003,700
6	<u>Benefits and medical eligibility</u>	
7	Temporary assistance for needy	
8	families – cash benefits	22,736,400
9	Coordinated hunger services	1,754,600
10	Tribal pass-through funding	4,680,300
11	<u>Child support enforcement</u>	
12	County participation	8,740,200
13	<u>Developmental disabilities</u>	
14	DDD administration	104,623,200
15	DDD premium tax payment	35,598,700
16	Case management – medicaid	75,727,800
17	Home and community based	
18	services – medicaid	1,369,746,700
19	Institutional services –	
20	medicaid	49,934,500
21	Physical and behavioral	
22	health services – medicaid	360,334,100
23	Medicare clawback payments	4,517,800
24	Targeted case management – medicaid	10,673,600
25	Case management – state-only	6,175,300
26	Home and community based	
27	services – state-only	13,589,000
28	Cost effectiveness study – client	
29	services	1,220,000
30	Arizona early intervention program	6,319,000
31	State-funded long-term care	
32	services	35,151,600
33	<u>Employment and rehabilitation services</u>	
34	JOBS	11,005,600
35	Child care subsidy	146,796,600
36	Independent living rehabilitation	
37	services	1,289,400
38	Rehabilitation services	7,249,100
39	Workforce investment act	
40	services	<u>53,654,600</u>
41	Total appropriation and expenditure	
42	authority – department of	
43	economic security	\$2,530,120,400

1	Fund sources:	
2	State general fund	\$ 748,115,200
3	Federal child care and	
4	development fund block grant	158,918,600
5	Federal temporary assistance for	
6	needy families block grant	65,324,900
7	Long-term care system fund	26,559,600
8	Public assistance collections	
9	fund	422,500
10	Special administration fund	4,506,300
11	Spinal and head injuries trust	
12	fund	2,354,400
13	Statewide cost allocation plan	
14	fund	1,000,000
15	Child support enforcement	
16	administration fund	16,973,100
17	Domestic violence services fund	4,000,000
18	Workforce investment act grant	56,044,500
19	Child support enforcement	
20	administration fund expenditure	
21	authority	42,299,500
22	Developmental disabilities	
23	medicaid expenditure authority	1,403,601,800

24 Aging and adult services

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

30 The department of economic security shall report to the joint
 31 legislative budget committee the amount of state and federal monies
 32 available statewide for domestic violence funding on or before December
 33 15, 2019. The report shall include, at a minimum, the amount of monies
 34 available and the state fiscal agent receiving those monies.

35 Benefits and medical eligibility

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

39 Child support enforcement

40 All state shares of retained earnings, fees and federal incentives
 41 in excess of \$16,973,100 received by the division of child support
 42 enforcement are appropriated for operating expenditures. New FTE
 43 positions may be authorized with the increased funding. Before spending
 44 these increased monies, the department of economic security shall report
 45 the intended use of the monies to the joint legislative budget committee.

1 Before the department may spend any monies to replace the child
2 support information technology system, the Arizona strategic enterprise
3 technology office shall submit, on behalf of the department of economic
4 security, an expenditure plan to the joint legislative budget committee
5 for review. The expenditure plan shall include the project cost,
6 deliverables, timeline for completion and method of procurement consistent
7 with the department's prior reports for its appropriation from the
8 automation projects fund pursuant to section 41-714, Arizona Revised
9 Statutes.

10 Developmental disabilities

11 On or before September 1, 2020, the department of economic security
12 shall report to the president of the senate, the speaker of the house of
13 representatives, the chairpersons of the senate and house of
14 representatives appropriations committees and the director of the joint
15 legislative budget committee any new placement into a state-owned ICF-IID
16 or the Arizona training program at the Coolidge campus in fiscal year
17 2019-2020 and the reason this placement, rather than a placement into a
18 privately run facility for persons with developmental disabilities, was
19 deemed as the most appropriate placement. The department shall also
20 report if no new placements were made. On or before September 1, 2020,
21 the department shall also report to the director of the joint legislative
22 budget committee the total costs associated with the Arizona training
23 program at Coolidge in fiscal year 2019-2020.

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

40 Before implementing developmental disabilities or long-term care
41 statewide provider rate adjustments that are not already specifically
42 authorized by the legislature, court mandates or changes to federal law,
43 the department shall submit a report for review by the joint legislative
44 budget committee that includes, at a minimum, the estimated cost of the

1 provider rate adjustment and the ongoing source of funding for the
2 adjustment, if applicable.

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

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

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

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

26 Employment and rehabilitation services

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

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

40 Departmentwide

41 The above appropriations are in addition to monies granted to this
42 state by the federal government for the same purposes but are deemed to
43 include the sums deposited in the state treasury to the credit of the
44 department of economic security pursuant to section 42-5029, Arizona
45 Revised Statutes.

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

13 Sec. 32. STATE BOARD OF EDUCATION

14		<u>2019-20</u>
15	FTE positions	6.0
16	Lump sum appropriation	\$ 1,146,300
17	Fund sources:	
18	State general fund	\$ 1,146,300

19 Sec. 33. SUPERINTENDENT OF PUBLIC INSTRUCTION

20		<u>2019-20</u>
21	FTE positions	195.9
22	Operating lump sum appropriation	\$ 14,499,100
23	Fund sources:	
24	State general fund	\$ 8,851,500
25	Teacher certification fund	133,800
26	Department of education empowerment	
27	scholarship account fund	1,246,100
28	Department of education professional	
29	development revolving fund	2,567,700
30	Proposition 301 expenditure authority	1,700,000

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

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

38 Any monies available to the department of education pursuant to
 39 section 42-5029, subsection E, paragraph 8, Arizona Revised Statutes, for
 40 the failing schools tutoring fund established by section 15-241, Arizona
 41 Revised Statutes, in excess of the expenditure authority amounts are
 42 allocated for the purposes of section 42-5029, subsection E, paragraph 8,
 43 Arizona Revised Statutes.

1 Any monies available to the department of education pursuant to
2 section 42-5029, subsection E, paragraph 6, Arizona Revised Statutes, for
3 character education matching grants pursuant to section 15-154.01, Arizona
4 Revised Statutes, in excess of the expenditure authority amounts are
5 allocated for the purposes of section 42-5029, subsection E, paragraph 6,
6 Arizona Revised Statutes.

7	Basic state aid	\$3,800,027,200
8	Fund sources:	
9	State general fund	\$3,423,257,600
10	Permanent state school fund	290,489,100
11	Proposition 301 expenditure	
12	authority	86,280,500

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

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

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

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

38 The basic state aid appropriation for fiscal year 2019-2020 includes
39 a state general fund increase of \$164,700,000, which the legislature and
40 governor intend to be used for teacher salary increases that are in
41 addition to teacher salary increases provided for fiscal year 2018-2019.

1	Results-based funding	\$ 68,600,000
2	Special education fund	36,029,200
3	Other state aid to districts	983,900
4	Classroom site fund	\$602,511,600

5	Fund sources:	
6	Proposition 301 expenditure	
7	authority	\$483,903,100
8	Proposition 301/classroom site fund	
9	land trust expenditure authority	103,550,100
10	Proposition 301/classroom site fund	
11	carryforward balance expenditure	
12	authority	15,058,400

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

19	Instructional improvement fund	\$ 45,000,000
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20	Fund sources:	
21	Tribal gaming expenditure	
22	authority	\$ 45,000,000

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

27	Additional state aid	\$426,944,900
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28	Accountability and achievement	
29	testing	\$ 16,422,500

30	Fund sources:	
31	State general fund	\$ 9,422,500
32	Proposition 301 fund	7,000,000

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

37 Any monies available to the department of education for
 38 accountability purposes pursuant to section 42-5029, subsection E,
 39 paragraph 7, Arizona Revised Statutes, in excess of the expenditure
 40 authority amounts are allocated for the purposes of section 42-5029,
 41 subsection E, paragraph 7, Arizona Revised Statutes.

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

11 Monies appropriated for career technical education district
12 completion grants are intended to help fund program completion for
13 students who complete at least fifty percent of a career technical
14 education program before graduating from high school and who successfully
15 complete the career technical education district program after graduating
16 from high school. The department of education shall develop application
17 procedures for the career technical education district completion grant
18 program. The procedures shall award grant funding only after an eligible
19 student has successfully completed a career technical education district
20 program.

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

25 The appropriated amount is exempt from the provisions of section
26 35-190, Arizona Revised Statutes, relating to lapsing of appropriations
27 through fiscal year 2020-2021.

28	CTED soft capital and equipment	\$ 1,000,000
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29 The department of education shall distribute the appropriated amount
30 to career technical education districts with fewer than two thousand
31 average daily membership pupils for soft capital and equipment expenses.
32 The appropriated amount shall be allocated on a pro rata basis based on
33 the average daily membership of eligible career technical education
34 districts.

35	College credit by examination	
36	incentive program	\$ 5,000,000
37	Computer science pilot program	1,000,000
38	Early literacy	12,000,000
39	Education learning and	
40	accountability system	5,300,000
41	English learner administration	6,509,500

1 The department of education shall use the appropriated amount to
2 provide English language acquisition services for the purposes of section
3 15-756.07, Arizona Revised Statutes, and for the costs of providing
4 English language proficiency assessments, scoring and ancillary materials
5 as prescribed by the department of education to school districts and
6 charter schools for the purposes of title 15, chapter 7, article 3.1,
7 Arizona Revised Statutes. The department may use a portion of the
8 appropriated amount to hire staff or contract with a third party to carry
9 out the purposes of section 15-756.07, Arizona Revised Statutes.
10 Notwithstanding section 41-192, Arizona Revised Statutes, the
11 superintendent of public instruction also may use a portion of the
12 appropriated amount to contract with one or more private attorneys to
13 provide legal services in connection with the case of Flores v. State of
14 Arizona, No. CIV 92-596-TUC-RCC.

15 Geographic literacy \$ 100,000

16 The department of education shall use the appropriated amount to
17 issue a grant to a statewide geographic alliance for strengthening
18 geographic literacy in this state.

19 Jobs for Arizona graduates \$ 100,000

20 The department of education shall use the appropriated amount to
21 issue a grant to a nonprofit organization for a jobs for Arizona graduates
22 program.

23 School safety program \$ 31,946,900

24 Fund sources:

25 State general fund \$ 24,146,900

26 Proposition 301 expenditure
27 authority 7,800,000

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

33 State block grant for vocational
34 education \$ 11,576,300

35 Teacher certification \$ 2,387,000

36 Fund sources:

37 State general fund \$ 178,100

38 Teacher certification fund 2,208,900

39 Tribal college dual enrollment
40 program \$ 250,000

1	Fund sources:		
2	Tribal college dual enrollment		
3	program fund	\$	250,000
4	Total appropriation and expenditure		
5	authority – superintendent		
6	of public instruction		
7			<u>\$5,099,282,900</u>

8	Fund sources:		
9	State general fund	\$4,051,962,900	
10	Proposition 301 fund	7,000,000	
11	Permanent state school fund	290,489,100	
12	Teacher certification fund	2,342,700	
13	Tribal college dual enrollment		
14	program fund	250,000	
15	Department of education empowerment		
16	scholarship account fund	1,246,100	
17	Department of education professional		
18	development revolving fund	2,700,000	
19	Expenditure authority	743,292,100	

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

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

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

40 Sec. 34. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

41			<u>2019-20</u>
42	FTE positions		63.1
43	Administration	\$	1,694,200

1	Emergency management	730,900
2	Military affairs	1,339,800
3	Emergency management matching funds	1,543,300
4	National guard matching funds	1,700,000
5	National guard tuition	
6	reimbursement	<u>1,000,000</u>
7	Total appropriation – department of	
8	emergency and military affairs	\$ 8,008,200
9	Fund sources:	
10	State general fund	\$ 8,008,200

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

16 Sec. 35. DEPARTMENT OF ENVIRONMENTAL QUALITY

17		<u>2019-20</u>
18	FTE positions	322.0
19	Operating lump sum appropriation	\$ 45,589,900
20	Safe drinking water program	1,802,100
21	Emissions control contractor	
22	payment	<u>21,119,500</u>
23	Total appropriation – department of	
24	environmental quality	\$ 68,511,500
25	Fund sources:	
26	Air quality fund	\$ 4,382,900
27	Emergency response fund	132,800
28	Emissions inspection fund	26,587,700
29	Hazardous waste management fund	1,742,400
30	Indirect cost recovery fund	13,524,900
31	Permit administration fund	7,146,800
32	Recycling fund	1,359,300
33	Safe drinking water program	
34	fund	1,802,100
35	Solid waste fee fund	1,245,800
36	Underground storage tank	
37	revolving fund	30,200
38	Water quality fee fund	10,556,600

39 Pursuant to section 49-282, Arizona Revised Statutes, the department
 40 of environmental quality shall submit a fiscal year 2020-2021 budget for
 41 the water quality assurance revolving fund before September 1, 2019, for
 42 review by the senate and house of representatives appropriations
 43 committees.

1 The department of environmental quality shall report annually on the
 2 progress of WQARF activities, including emergency response, priority site
 3 remediation, cost recovery activity, revenue and expenditure activity and
 4 other WQARF-funded program activity. The department shall submit the
 5 fiscal year 2019-2020 report to the joint legislative budget committee on
 6 or before September 1, 2019. This report shall also include a budget for
 7 the WQARF program that is developed in consultation with the WQARF
 8 advisory board. This budget shall specify the monies budgeted for each
 9 listed site during fiscal year 2019-2020. In addition, the department and
 10 the advisory board shall prepare and submit to the joint legislative
 11 budget committee, on or before October 1, 2019, a report in a table format
 12 summarizing the current progress on remediation of each listed site on the
 13 WQARF registry. The table shall include the stage of remediation for each
 14 site at the end of fiscal year 2018-2019, indicate whether the current
 15 stage of remediation is anticipated to be completed in fiscal year
 16 2019-2020 and indicate the anticipated stage of remediation at each listed
 17 site at the end of fiscal year 2019-2020, assuming fiscal year 2019-2020
 18 funding levels. The department and advisory board may include other
 19 relevant information about the listed sites in the table.

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

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

32 Sec. 36. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

33		<u>2019-20</u>
34	FTE positions	4.0
35	Lump sum appropriation	\$ 190,700
36	Fund sources:	
37	Personnel division fund	\$ 190,700

38 Sec. 37. STATE BOARD OF EQUALIZATION

39		<u>2019-20</u>
40	FTE positions	7.0
41	Lump sum appropriation	\$ 652,000
42	Fund sources:	
43	State general fund	\$ 652,000

1 Sec. 38. BOARD OF EXECUTIVE CLEMENCY

2		<u>2019-20</u>
3	FTE positions	14.5
4	Lump sum appropriation	\$ 1,137,000
5	Fund sources:	
6	State general fund	\$ 1,137,000

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

11 Sec. 39. ARIZONA EXPOSITION AND STATE FAIR BOARD

12		<u>2019-20</u>
13	FTE positions	184.0
14	Lump sum appropriation	\$ 13,204,900
15	Fund sources:	
16	Arizona exposition and state	
17	fair fund	\$ 13,204,900

18 Sec. 40. DEPARTMENT OF FINANCIAL INSTITUTIONS

19		<u>2019-20</u>
20	FTE positions	73.1
21	Lump sum appropriation	\$ 5,985,400
22	Fund sources:	
23	State general fund	\$ 1,984,800
24	Financial services fund	3,950,600
25	Revolving fund	50,000

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

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

30		<u>2019-20</u>
31	FTE positions	88.0
32	Operating lump sum appropriation	\$ 3,084,300
33	Environmental county grants	250,000
34	Inmate firefighting crews	692,400
35	Postrelease firefighting crews	1,009,500
36	Fire suppression	200,000
37	Taylor fire training center	1,000,000*
38	State fire marshal	747,900
39	State fire school	172,600
40	Hazardous vegetation removal	<u>3,000,000</u>
41	Total appropriation – Arizona department	
42	of forestry and fire management	\$ 10,156,700
43	Fund sources:	
44	State general fund	\$ 10,156,700

1 The appropriation for the hazardous vegetation removal line item is
 2 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 3 relating to lapsing of appropriations, through June 30, 2021.

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

11 Sec. 42. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

		<u>2019-20</u>
12		
13	FTE positions	4.0
14	Operating lump sum appropriation	\$ 368,400
15	Retirement payout	<u>11,300</u>
16	Total appropriation – state board of	
17	funeral directors and embalmers	\$ 379,700

18 Fund sources:

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

21 Sec. 43. ARIZONA GAME AND FISH DEPARTMENT

		<u>2019-20</u>
22		
23	FTE positions	273.5
24	Operating lump sum appropriation	\$ 39,694,600
25	Pittman-Robertson/Dingell-Johnson	
26	act	<u>3,058,000</u>

27 Total appropriation – Arizona game and fish

28	department	\$ 42,752,600
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29 Fund sources:

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

36 Sec. 44. DEPARTMENT OF GAMING

		<u>2019-20</u>
37		
38	FTE positions	155.8
39	Operating lump sum appropriation	\$ 9,124,700
40	Arizona breeders' award	250,000

1	Casino operations certification	2,091,300
2	County fairs livestock and	
3	agriculture promotion	2,509,500
4	Division of racing	2,253,100
5	Problem gambling	<u>2,290,600</u>
6	Total appropriation – department of gaming	\$ 18,519,200
7	Fund sources:	
8	State general fund	\$ 2,509,500
9	Tribal-state compact fund	2,091,300
10	Arizona benefits fund	11,115,300
11	State lottery fund	300,000
12	Racing regulation fund	2,403,100
13	Racing regulation fund – unarmed	
14	combat subaccount	100,000

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

20 Sec. 45. OFFICE OF THE GOVERNOR

21		<u>2019-20</u>
22	Operating lump sum appropriation	\$ 7,038,800*
23	Foster youth education success	
24	fund deposit	<u>1,500,000</u>
25	Total appropriation – Office of the Governor	\$ 8,538,800
26	Fund sources:	
27	State general fund	\$ 8,538,800

28 Included in the lump sum appropriation of \$7,038,800 for fiscal year
 29 2019-2020 is \$10,000 for the purchase of mementos and items for visiting
 30 officials.

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

32		<u>2019-20</u>
33	FTE positions	22.0
34	Lump sum appropriation	\$ 2,672,100*
35	Fund sources:	
36	State general fund	\$ 2,672,100

37 Sec. 47. DEPARTMENT OF HEALTH SERVICES

38		<u>2019-20</u>
39	FTE positions	1,125.0
40	Operating lump sum appropriation	\$ 49,438,700

1	<u>Public health/family health</u>	
2	Adult cystic fibrosis care	105,200
3	AIDS reporting and surveillance	1,000,000
4	Alzheimer's disease research	3,125,000
5	Biomedical research support	2,000,000
6	Breast and cervical cancer and	
7	bone density screening	1,369,400
8	County tuberculosis provider care	
9	and control	590,700
10	Emergency medical services local	
11	allocation	442,000
12	Folic acid program	400,000
13	High-risk perinatal services	2,543,400
14	Homeless pregnant women services	100,000
15	Newborn screening program	7,227,400
16	Nonrenal disease management	198,000
17	Nursing care special projects	100,000
18	Poison control centers funding	990,000
19	Public health emergencies fund	
20	deposit	106,600
21	Radiation regulation	2,293,800
22	Renal dental care and nutrition	
23	supplements	300,000
24	Renal transplant drugs	183,000
25	State loan repayment program	1,750,000
26	<u>Arizona state hospital</u>	
27	Arizona state hospital –	
28	operating	61,210,200
29	Arizona state hospital –	
30	restoration to competency	900,000
31	Arizona state hospital –	
32	sexually violent persons	<u>9,684,900</u>
33	Total appropriation – department of	
34	health services	\$146,058,300
35	Fund sources:	
36	State general fund	\$ 90,787,800
37	Arizona state hospital fund	2,590,300
38	Arizona state hospital land fund	650,000
39	Child fatality review fund	95,700
40	Disease control research fund	1,000,000

1	DHS indirect cost fund	10,371,800
2	Emergency medical services	
3	operating fund	5,731,300
4	Environmental laboratory licensure	
5	revolving fund	929,200
6	Federal child care and development	
7	fund block grant	879,900
8	Health services licensing fund	15,793,700
9	Health services lottery monies fund	100,000
10	Newborn screening program fund	7,660,200
11	Nursing care institution resident	
12	protection revolving fund	138,200
13	Prescription drug rebate fund – state	1,000,000
14	Tobacco tax and health care fund –	
15	health research account	4,000,000
16	Tobacco tax and health care fund –	
17	medically needy account	700,000
18	Vital records electronic systems	
19	fund	3,630,200

20 Public health/family health

21 The department of health services may use up to four percent of the
 22 amount appropriated for nonrenal disease management for the administrative
 23 costs to implement the program.

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

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

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

1 shall submit a copy of the audit to the department of health services on
2 or before February 1, 2021.

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

7 1. Is headquartered in this state.

8 2. Has been operating in this state for at least the last ten
9 years.

10 3. Has participating member institutions that work together to end
11 Alzheimer's disease within a statewide collaborative model by using their
12 complementary strengths in brain imaging, computer science, genomics,
13 basic and cognitive neurosciences and clinical and neuropathology
14 research.

15 4. Has participating member institutions that educate residents of
16 this state about Alzheimer's disease, research progress and resources to
17 help patients, families and professionals manage the disease.

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

22 Arizona state hospital

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

27 Departmentwide

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

39 Sec. 48. ARIZONA HISTORICAL SOCIETY

40		<u>2019-20</u>
41	FTE positions	50.9
42	Operating lump sum appropriation	\$ 2,469,300

1	Field services and grants	65,900
2	Papago park museum	<u>539,800</u>
3	Total appropriation – Arizona historical	
4	society	\$ 3,075,000
5	Fund sources:	
6	State general fund	\$ 3,075,000
7	Sec. 49. PRESCOTT HISTORICAL SOCIETY	
8		<u>2019-20</u>
9	FTE positions	13.0
10	Lump sum appropriation	\$ 832,700
11	Fund sources:	
12	State general fund	\$ 832,700
13	Sec. 50. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS	
14		<u>2019-20</u>
15	FTE positions	1.0
16	Lump sum appropriation	\$ 40,200
17	Fund sources:	
18	Board of homeopathic and	
19	integrated medicine	
20	examiners' fund	\$ 40,200
21	Sec. 51. ARIZONA DEPARTMENT OF HOUSING	
22		<u>2019-20</u>
23	FTE positions	3.0
24	Operating lump sum appropriation	\$ 322,200
25	Housing trust fund deposit	<u>15,000,000</u>
26	Total appropriation – Arizona department	
27	of housing	\$ 15,322,200
28	Fund sources:	
29	State general fund	\$ 15,000,000
30	Housing trust fund	322,200
31	Of the amount appropriated for the housing trust fund deposit line	
32	item, \$3,500,000 shall be spent on constructing or renovating facilities	
33	and on housing assistance, including support services, for persons who	
34	have been determined to be seriously mentally ill and to be chronically	
35	resistant to treatment.	
36	Sec. 52. INDUSTRIAL COMMISSION OF ARIZONA	
37		<u>2019-20</u>
38	FTE positions	235.6
39	Lump sum appropriation	\$ 20,001,800
40	Fund sources:	
41	Administrative fund	\$ 20,001,800

1	Sec. 53. DEPARTMENT OF INSURANCE	
2		<u>2019-20</u>
3	FTE positions	72.3
4	Lump sum appropriation	\$ 5,628,400
5	Fund sources:	
6	State general fund	\$ 5,628,400
7	Sec. 54. ARIZONA JUDICIARY	
8		<u>2019-20</u>
9	<u>Supreme court</u>	
10	FTE positions	183.0
11	Operating lump sum appropriation	\$ 15,198,300
12	Automation	20,132,000
13	County reimbursements	187,900
14	Court appointed special advocate	3,517,400
15	Courthouse security	750,000
16	Domestic relations	639,900
17	State foster care review board	3,260,800
18	Commission on judicial conduct	521,300
19	Judicial nominations and	
20	performance review	542,000
21	Model court	438,500
22	State aid	<u>5,661,200</u>
23	Total appropriation – supreme court	\$ 50,849,300
24	Fund sources:	
25	State general fund	\$ 20,422,400
26	Confidential intermediary and	
27	fiduciary fund	491,300
28	Court appointed special advocate	
29	fund	3,597,700
30	Criminal justice enhancement fund	4,384,500
31	Defensive driving school fund	4,208,200
32	Judicial collection enhancement	
33	fund	14,800,000
34	State aid to the courts fund	2,945,200

35 On or before September 1, 2019, the supreme court shall report to
 36 the joint legislative budget committee and the governor's office of
 37 strategic planning and budgeting on current and future automation projects
 38 coordinated by the administrative office of the courts. The report shall
 39 include a list of court automation projects that receive or are
 40 anticipated to receive state monies in the current or next two fiscal
 41 years as well as a description of each project, the number of FTE
 42 positions, the entities involved and the goals and anticipated results for
 43 each automation project. The report shall be submitted in one summary
 44 document. The report shall indicate each project's total multiyear cost

1 by fund source and budget line item, including any prior-year,
 2 current-year and future-year expenditures.

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

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

10 Of the \$187,900 appropriated for county reimbursements, state grand
 11 jury is limited to \$97,900 and capital postconviction relief is limited to
 12 \$90,000.

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

17 Court of appeals

18	FTE positions	136.8
19	Division one	\$ 11,526,400
20	Division two	<u>5,140,800</u>
21	Total appropriation – court of appeals	\$ 16,667,200

22 Fund sources:

23	State general fund	\$ 16,667,200
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24 Of the 136.8 FTE positions for fiscal year 2019-2020, 98.3 FTE
 25 positions are for division one and 38.5 FTE positions are for
 26 division two.

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

31 Superior court

32	FTE positions	235.5
33	Operating lump sum appropriation	\$ 4,363,300
34	Judges' compensation	17,650,200
35	Centralized service payments	3,573,600
36	Adult standard probation	20,241,900
37	Adult intensive probation	11,620,300
38	Community punishment	2,310,300
39	Court-ordered removals	315,000
40	Interstate compact	478,600
41	Drug court	1,036,400
42	Juvenile standard probation	3,704,600

1	Juvenile intensive probation	5,682,000
2	Juvenile treatment services	20,148,000
3	Juvenile family counseling	500,000
4	Juvenile crime reduction	3,311,500
5	Juvenile diversion consequences	8,609,000
6	Special water master	<u>489,500</u>
7	Total appropriation – superior court	\$104,034,200
8	Fund sources:	
9	State general fund	\$ 92,076,100
10	Criminal justice enhancement fund	5,440,000
11	Drug treatment and education fund	502,900
12	Judicial collection enhancement	
13	fund	6,015,200

14 Operating budget

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

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

24 Judges

25 Of the 235.5 FTE positions, 180 FTE positions represent superior
 26 court judges. One-half of those judges' salaries in counties with a
 27 population of less than two million persons and one-quarter of those
 28 judges' salaries in a county with a population of at least two million
 29 persons are provided by state general fund appropriations pursuant to
 30 section 12-128, Arizona Revised Statutes. This FTE position clarification
 31 does not limit the counties' ability to add judges pursuant to section
 32 12-121, Arizona Revised Statutes.

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

40 Probation

41 Monies appropriated to juvenile treatment services and juvenile
 42 diversion consequences shall be deposited in the juvenile probation
 43 services fund established by section 8-322, Arizona Revised Statutes.

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

5 On or before November 1, 2019, the administrative office of the
6 courts shall report to the joint legislative budget committee and the
7 governor's office of strategic planning and budgeting the fiscal year
8 2018-2019 actual, fiscal year 2019-2020 estimated and fiscal year
9 2020-2021 requested amounts for each of the following:

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

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

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

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

40 On or before November 1, 2019, the administrative office of the
41 courts shall submit a report for review by the joint legislative budget
42 committee on the county-approved salary adjustments provided to probation
43 officers since the last report on February 1, 2019. The report shall
44 include, for each county, the:

- 1 1. Approved percentage salary increase by year.
- 2 2. Net increase in the amount allocated to each probation
- 3 department by the administrative office of the courts for each applicable
- 4 year.
- 5 3. Average number of probation officers by applicable year.
- 6 4. Average salary of probation officers for each applicable year.

7 Sec. 55. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2019-20</u>
8 FTE positions	738.5
9 Lump sum appropriation	\$ 40,391,900
10 Fund sources:	
11 State general fund	\$ 33,994,500
12 State charitable, penal and	
13 reformatory institutions	
14 land fund	4,011,600
15 Criminal justice enhancement fund	531,400
16 State education fund for committed	
17 youth	1,854,400

18
 19 Twenty-five percent of land earnings and interest from the state
 20 charitable, penal and reformatory institutions land fund shall be
 21 distributed to the department of juvenile corrections, in compliance with
 22 section 25 of the enabling act and the Constitution of Arizona, to be used
 23 to support state juvenile institutions and reformatories.

24 Sec. 56. STATE LAND DEPARTMENT

	<u>2019-20</u>
25 FTE positions	129.7
26 Operating lump sum appropriation	\$ 16,168,700
27 Natural resource conservation	
28 districts	650,000
29 CAP user fees	1,315,200
30 Due diligence fund deposit	500,000
31 Fire suppression	800,000
32 Streambed navigability litigation	<u>220,000</u>
33 Total appropriation – state land department	\$ 19,653,900
34 Fund sources:	
35 State general fund	\$ 11,605,100
36 Environmental special plate fund	260,600
37 Due diligence fund	500,000
38 Trust land management fund	7,288,200

39
 40 The appropriation includes \$1,315,200 for CAP user fees in fiscal
 41 year 2019-2020. For fiscal year 2019-2020, from municipalities that
 42 assume their allocation of central Arizona project water for every dollar
 43 received as reimbursement to the state for past central Arizona water
 44 conservation district payments, \$1 reverts to the state general fund in
 45 the year that the reimbursement is collected.

1 Of the amount appropriated for natural resource conservation
 2 districts in fiscal year 2019-2020, \$30,000 shall be used to provide
 3 grants to natural resource conservation district environmental education
 4 centers.

5 Sec. 57. LEGISLATURE

6		<u>2019-20</u>
7	<u>Senate</u>	
8	Lump sum appropriation	\$ 12,922,200*
9	Fund sources:	
10	State general fund	\$ 12,922,200
11	Included in the lump sum appropriation of \$12,922,200 for fiscal	
12	year 2019-2020 is \$1,000 for the purchase of mementos and items for	
13	visiting officials.	
14	<u>House of representatives</u>	
15	Lump sum appropriation	\$ 16,335,000*
16	Fund sources:	
17	State general fund	\$ 16,335,000
18	Included in the lump sum appropriation of \$16,335,000 for fiscal	
19	year 2019-2020 is \$1,000 for the purchase of mementos and items for	
20	visiting officials.	
21	<u>Legislative council</u>	
22	FTE positions	55.0
23	Operating lump sum appropriation	\$ 7,933,600
24	Ombudsman-citizens aide office	<u>871,300</u>
25	Total appropriation – legislative	
26	council	\$ 8,804,900*
27	Fund sources:	
28	State general fund	\$ 8,804,900
29	Dues for the council of state governments may be expended only on an	
30	affirmative vote of the legislative council.	
31	The legislature intends that the ombudsman-citizens aide prioritize	
32	investigating and processing complaints relating to the department of	
33	child safety.	
34	<u>Joint legislative budget committee</u>	
35	FTE positions	29.0
36	Lump sum appropriation	\$ 2,829,800*
37	Fund sources:	
38	State general fund	\$ 2,829,800
39	<u>Auditor general</u>	
40	FTE positions	190.8
41	Lump sum appropriation	\$ 19,124,100*
42	Fund sources:	
43	State general fund	\$ 19,124,100

1 Monies and FTE positions appropriated to the auditor general for
 2 fiscal year 2019-2020 by Laws 2018, chapter 276, section 55 are continuing
 3 appropriations and are exempt from the provisions of section 35-190,
 4 Arizona Revised Statutes, relating to lapsing of appropriations.
 5 Sec. 58. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

6		<u>2019-20</u>
7	FTE positions	45.2
8	Lump sum appropriation	\$ 3,267,300
9	Fund sources:	
10	Liquor licenses fund	\$ 3,267,300

11 Sec. 59. ARIZONA STATE LOTTERY COMMISSION

12		<u>2019-20</u>
13	FTE positions	98.8
14	Operating lump sum appropriation	\$ 9,202,400
15	Advertising	<u>15,500,000</u>
16	Total appropriation – Arizona state	
17	lottery commission	\$ 24,702,400
18	Fund source:	
19	State lottery fund	\$ 24,702,400

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

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

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

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

37 Sec. 60. BOARD OF MASSAGE THERAPY

38		<u>2019-20</u>
39	FTE positions	5.0
40	Lump sum appropriation	\$ 460,900
41	Fund sources:	
42	Board of massage therapy fund	\$ 460,900

1	Sec. 61. ARIZONA MEDICAL BOARD	
2		<u>2019-20</u>
3	FTE positions	61.5
4	Operating lump sum appropriation	\$ 6,822,100
5	Employee performance incentive	
6	program	<u>165,000</u>
7	Total appropriation – Arizona medical	
8	board	\$ 6,987,100
9	Fund sources:	
10	Arizona medical board fund	\$ 6,987,100
11	Sec. 62. STATE MINE INSPECTOR	
12		<u>2019-20</u>
13	FTE positions	14.0
14	Operating lump sum appropriation	\$ 1,061,100
15	Abandoned mines	194,700
16	Aggregate mining land reclamation	<u>112,900</u>
17	Total appropriation – state mine inspector	\$ 1,368,700
18	Fund sources:	
19	State general fund	\$ 1,255,800
20	Aggregate mining reclamation fund	112,900
21	All aggregate mining reclamation fund monies received by the state	
22	mine inspector in excess of \$112,900 in fiscal year 2019-2020 are	
23	appropriated to the aggregate mining land reclamation line item. Before	
24	spending any aggregate mining reclamation fund monies in excess of	
25	\$112,900 in fiscal year 2019-2020, the state mine inspector shall report	
26	the intended use of the monies to the joint legislative budget committee	
27	and the governor's office of strategic planning and budgeting.	
28	Sec. 63. NATUROPATHIC PHYSICIANS MEDICAL BOARD	
29		<u>2019-20</u>
30	FTE positions	2.0
31	Lump sum appropriation	\$ 187,400
32	Fund sources:	
33	Naturopathic physicians medical	
34	board fund	\$ 187,400
35	Sec. 64. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION	
36		<u>2019-20</u>
37	FTE positions	2.0
38	Lump sum appropriation	\$ 327,400
39	Fund sources:	
40	State general fund	\$ 127,400
41	Arizona water banking fund	200,000

1	Sec. 65. ARIZONA STATE BOARD OF NURSING		
2			<u>2019-20</u>
3	FTE positions		48.5
4	Operating lump sum appropriation	\$	4,201,500
5	Certified nursing assistant		
6	credentiaing program		<u>536,700</u>
7	Total appropriation – Arizona state		
8	board of nursing	\$	4,738,200
9	Fund sources:		
10	Board of nursing fund	\$	4,738,200
11	Sec. 66. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS		
12	AND ASSISTED LIVING FACILITY MANAGERS		
13			<u>2019-20</u>
14	FTE positions		6.0
15	Lump sum appropriation	\$	443,600
16	Fund sources:		
17	Nursing care institution		
18	administrators' licensing and		
19	assisted living facility		
20	managers' certification fund	\$	443,600
21	Sec. 67. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
22			<u>2019-20</u>
23	FTE positions		1.5
24	Lump sum appropriation	\$	197,200
25	Fund sources:		
26	Occupational therapy fund	\$	197,200
27	Sec. 68. STATE BOARD OF DISPENSING OPTICIANS		
28			<u>2019-20</u>
29	FTE positions		1.0
30	Lump sum appropriation	\$	149,100
31	Fund sources:		
32	Board of dispensing opticians fund	\$	149,100
33	Sec. 69. STATE BOARD OF OPTOMETRY		
34			<u>2019-20</u>
35	FTE positions		2.0
36	Lump sum appropriation	\$	233,800
37	Fund sources:		
38	Board of optometry fund	\$	233,800
39	Sec. 70. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
40			<u>2019-20</u>
41	FTE positions		8.0
42	Lump sum appropriation	\$	997,200

1	Fund sources:	
2	Arizona board of osteopathic	
3	examiners in medicine	
4	and surgery fund	\$ 997,200
5	Sec. 71. ARIZONA STATE PARKS BOARD	
6		<u>2019-20</u>
7	FTE positions	163.0
8	Operating lump sum appropriation	\$ 13,217,800
9	Arizona trail	250,000
10	Great western trail	692,100
11	Kartchner caverns state park	<u>2,245,700</u>
12	Total appropriation – Arizona state parks	
13	board	\$ 16,405,600
14	Fund sources:	
15	State parks revenue fund	\$ 15,713,500
16	Off-highway vehicle recreation	
17	fund	692,100
18	All other operating expenditures include \$26,000 from the state	
19	parks revenue fund for Fool Hollow state park revenue sharing. If	
20	receipts to Fool Hollow exceed \$260,000 in fiscal year 2019-2020, an	
21	additional ten percent of this increase of Fool Hollow receipts is	
22	appropriated from the state parks revenue fund established by section	
23	41-511.21, Arizona Revised Statutes, to meet the revenue sharing agreement	
24	with the city of Show Low and the United States forest service.	
25	The appropriation for the Arizona trail line item shall be used to	
26	employ youth conservation corps members to maintain the Arizona trail.	
27	Before spending any monies appropriated in fiscal year 2019-2020 for the	
28	Arizona trail line item, the board shall submit an expenditure plan for	
29	review by the joint legislative budget committee.	
30	Sec. 72. STATE PERSONNEL BOARD	
31		<u>2019-20</u>
32	FTE positions	3.0
33	Lump sum appropriation	\$ 361,000
34	Fund sources:	
35	Personnel division fund –	
36	personnel board subaccount	\$ 361,000
37	Sec. 73. ARIZONA STATE BOARD OF PHARMACY	
38		<u>2019-20</u>
39	FTE positions	22.4
40	Operating lump sum appropriation	\$ 2,592,200
41	Prescriber report card	<u>50,000</u>
42	Total appropriation – Arizona state	
43	board of pharmacy	\$ 2,642,200

1	Fund sources:		
2	Arizona state board of pharmacy		
3	fund	\$	2,642,200
4	Sec. 74. BOARD OF PHYSICAL THERAPY		
5			<u>2019-20</u>
6	FTE positions		4.0
7	Lump sum appropriation	\$	494,600
8	Fund sources:		
9	Board of physical therapy fund	\$	494,600
10	Sec. 75. ARIZONA PIONEERS' HOME		
11			<u>2019-20</u>
12	FTE positions		106.3
13	Operating lump sum appropriation	\$	6,352,200
14	Prescription drugs		<u>200,000</u>
15	Total appropriation – Arizona pioneers' home	\$	6,552,200
16	Fund sources:		
17	Miners' hospital for miners with		
18	disabilities land fund	\$	2,047,000
19	State charitable fund		4,505,200
20	Earnings on state lands and interest on the investment of the		
21	permanent land funds are appropriated for the Arizona pioneers' home and		
22	the state hospital for miners with disabilities in compliance with the		
23	enabling act and the Constitution of Arizona.		
24	Sec. 76. STATE BOARD OF PODIATRY EXAMINERS		
25			<u>2019-20</u>
26	FTE positions		1.0
27	Lump sum appropriation	\$	161,900
28	Fund sources:		
29	Podiatry fund	\$	161,900
30	Sec. 77. COMMISSION FOR POSTSECONDARY EDUCATION		
31			<u>2019-20</u>
32	FTE positions		5.0
33	Operating lump sum appropriation	\$	220,800
34	Leveraging educational assistance		
35	partnership (LEAP)		2,319,500
36	Arizona college and career guide		21,300
37	Arizona teacher student loan		
38	program		426,000
39	Arizona minority educational		
40	policy analysis center		100,000
41	Twelve plus partnership		<u>130,500</u>
42	Total appropriation – commission for		
43	postsecondary education	\$	3,218,100

1 Fund sources:
 2 State general fund \$ 1,680,900
 3 Postsecondary education fund 1,537,200
 4 In order to be eligible to receive state matching monies under the
 5 leveraging educational assistance partnership for grants to students, each
 6 participating institution, public or private, shall provide an amount of
 7 institutional matching monies that equals the amount of monies provided by
 8 this state to the institution for the leveraging educational assistance
 9 partnership. Administrative expenses incurred by the commission for
 10 postsecondary education shall be paid from institutional matching monies
 11 and may not exceed twelve percent of the monies in fiscal year 2019-2020.
 12 Any unencumbered balance remaining in the postsecondary education
 13 fund established by section 15-1853, Arizona Revised Statutes, on June 30,
 14 2019, and all grant monies and other revenues received by the commission
 15 for postsecondary education, when paid into the state treasury, are
 16 appropriated for the specific purposes designated by line items and for
 17 additional responsibilities prescribed in sections 15-1851 and 15-1852,
 18 Arizona Revised Statutes.
 19 The appropriations for the Arizona college and career guide, Arizona
 20 minority educational policy analysis center and twelve plus partnership
 21 are estimates representing all monies distributed to these programs,
 22 including balance forward, revenue and transfers, during fiscal year
 23 2019-2020. The appropriations shall be adjusted as necessary to reflect
 24 actual final monies credited to the postsecondary education fund.
 25 Sec. 78. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION
 26 2019-20
 27 FTE positions 4.0
 28 Lump sum appropriation \$ 417,800
 29 Fund sources:
 30 Board for private postsecondary
 31 education fund \$ 417,800
 32 Sec. 79. STATE BOARD OF PSYCHOLOGIST EXAMINERS
 33 2019-20
 34 FTE positions 4.0
 35 Lump sum appropriation \$ 507,000
 36 Fund sources:
 37 Board of psychologist examiners
 38 fund \$ 507,000
 39 Sec. 80. DEPARTMENT OF PUBLIC SAFETY
 40 2019-20
 41 FTE positions 2,014.7
 42 Operating lump sum appropriation \$258,613,500
 43 ACTIC 1,450,000
 44 Border strike task force ongoing 7,102,500

1	Border strike task force	
2	local support	1,261,700
3	Civil air patrol	150,000
4	GIITEM	22,410,800
5	GIITEM subaccount	2,395,800
6	Motor vehicle fuel	5,454,600
7	Peace officer training equipment	1,047,500
8	Pharmaceutical diversion and	
9	drug theft task force	559,500
10	Public safety equipment	<u>2,890,000</u>
11	Total appropriation – department of public	
12	safety	\$303,335,900
13	Fund sources:	
14	State general fund	\$ 65,190,800
15	State highway fund	318,200
16	Arizona highway patrol fund	193,106,400
17	State aid to indigent defense fund	700,000
18	Criminal justice enhancement fund	2,927,300
19	Safety enforcement and transportation	
20	infrastructure fund – department	
21	of public safety subaccount	1,643,500
22	Department of public safety	
23	forensics fund	22,495,800
24	Gang and immigration intelligence	
25	team enforcement mission border	
26	security and law enforcement	
27	subaccount	2,540,700
28	Motorcycle safety fund	205,000
29	Motor vehicle liability insurance	
30	enforcement fund	1,250,000
31	Risk management revolving fund	1,345,300
32	Parity compensation fund	3,451,500
33	Peace officer training equipment fund	1,047,500
34	Public safety equipment fund	2,893,700
35	Concealed weapons permit fund	2,717,700
36	Fingerprint clearance card fund	1,502,500

37 Of the \$22,410,800 appropriated to the GIITEM line item, \$10,356,900
38 shall be used for one hundred department of public safety GIITEM
39 personnel. The additional staff shall include at least fifty sworn
40 department of public safety positions to be used for immigration
41 enforcement and border security and fifty department of public safety
42 positions to assist GIITEM in various efforts, including:

- 43 1. Strictly enforcing all federal laws relating to illegal aliens
- 44 and arresting illegal aliens.

1 2. Responding to or assisting any county sheriff or attorney in
2 investigating complaints of employment of illegal aliens.

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

8 4. Taking strict enforcement action.

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

14 Of the \$22,410,800 appropriated to the GIITEM line item, only
15 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
16 Arizona Revised Statutes, and is appropriated for the purposes of that
17 section. The \$1,403,400 is exempt from the provisions of section 35-190,
18 Arizona Revised Statutes, relating to the lapsing of appropriations. This
19 state recognizes that states have inherent authority to arrest a person
20 for any immigration violation.

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

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

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

38 Of the \$1,261,700 appropriated for the border strike task force
39 local support line item, \$500,000 shall be used for grants to cities,
40 towns or counties for costs associated with prosecuting and imprisoning
41 individuals charged with drug trafficking, human smuggling, illegal
42 immigration and other border-related crimes.

1 Before spending any monies appropriated in fiscal year 2019-2020 for
 2 the peace officer training equipment line item, the department shall
 3 submit an expenditure plan for this line item for review by the joint
 4 legislative budget committee.

5	Sec. 81. STATE REAL ESTATE DEPARTMENT	
6		<u>2019-20</u>
7	FTE positions	37.0
8	Lump sum appropriation	\$ 2,911,700
9	Fund sources:	
10	State general fund	\$ 2,911,700
11	Sec. 82. RESIDENTIAL UTILITY CONSUMER OFFICE	
12		<u>2019-20</u>
13	FTE positions	11.0
14	Operating lump sum appropriation	\$ 1,197,600
15	Professional witnesses	<u>145,000*</u>
16	Total appropriation – residential utility	
17	consumer office	\$ 1,342,600
18	Fund sources:	
19	Residential utility consumer	
20	office revolving fund	\$ 1,342,600
21	Sec. 83. BOARD OF RESPIRATORY CARE EXAMINERS	
22		<u>2019-20</u>
23	FTE positions	4.0
24	Lump sum appropriation	\$ 314,400
25	Fund sources:	
26	Board of respiratory care	
27	examiners fund	\$ 314,400
28	Sec. 84. ARIZONA STATE RETIREMENT SYSTEM	
29		<u>2019-20</u>
30	FTE positions	240.9
31	Lump sum appropriation	\$ 24,130,300
32	Fund sources:	
33	Arizona state retirement system	
34	administration account	\$ 22,330,300
35	Long-term disability trust fund	
36	administration account	1,800,000
37	Sec. 85. DEPARTMENT OF REVENUE	
38		<u>2019-20</u>
39	FTE positions	880.8
40	Operating lump sum appropriation	\$ 65,364,500
41	BRITS operational support	7,546,500
42	Unclaimed property administration	
43	and audit	1,368,800

1	TPT simplification	982,500
2	Tax fraud prevention	<u>3,150,000</u>
3	Total appropriation – department of revenue	\$ 78,412,300
4	Fund sources:	
5	State general fund	\$ 31,063,800
6	Department of revenue	
7	administrative fund	45,864,200
8	Liability setoff program	
9	revolving fund	802,800
10	Tobacco tax and health care fund	681,500

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

16 The department shall report the department's general fund revenue
17 enforcement goals for fiscal year 2019-2020 to the joint legislative
18 budget committee on or before September 30, 2019. On or before September
19 30, 2019, the department shall provide an annual progress report to the
20 joint legislative budget committee as to the effectiveness of the
21 department's overall enforcement and collections program for fiscal year
22 2018-2019, and on or before September 30, 2020, the department shall
23 provide an annual progress report to the joint legislative budget
24 committee as to the effectiveness of the department's overall enforcement
25 and collections program for fiscal year 2019-2020. The reports shall
26 include a comparison of projected and actual state general fund, total
27 state tax, total county tax and total municipal tax revenue enforcement
28 collections for fiscal year 2018-2019 and fiscal year 2019-2020, including
29 the amount of projected and actual enforcement collections for all tax
30 types. The reports shall also include the total number of transaction
31 privilege tax delinquent accounts, the total dollar value of those
32 accounts classified by age of account and the total dollar amount of
33 delinquent account write-offs determined to be uncollectible for fiscal
34 year 2018-2019.

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

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

40 On or before November 1, 2019, the department shall report the
41 results of private fraud prevention investigation services during fiscal
42 year 2018-2019 to the joint legislative budget committee. The report
43 shall include the total number of fraudulent returns prevented and the
44 total dollar amount of fraudulent returns prevented during fiscal year
45 2018-2019.

1 Sec. 86. SCHOOL FACILITIES BOARD

2		<u>2019-20</u>
3	FTE positions	17.0
4	Operating lump sum appropriation	\$ 1,700,700
5	New school facilities debt service	131,870,500
6	Building renewal grants	79,458,800
7	New school facilities	<u>75,875,800</u>
8	Total appropriation – school facilities	
9	board	\$288,905,800
10	Fund sources:	
11	State general fund	\$288,905,800

12 Pursuant to section 35-142.01, Arizona Revised Statutes, any
 13 reimbursement received by or allocated to the school facilities board
 14 under the federal qualified school construction bond program in fiscal
 15 year 2019-2020 shall be deposited in or revert to the state general fund.

16 At least thirty days before any monies are transferred out of the
 17 new school facilities debt service line item, the school facilities board
 18 shall report the proposed transfer to the director of the joint
 19 legislative budget committee.

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

24 Sec. 87. DEPARTMENT OF STATE - SECRETARY OF STATE

25		<u>2019-20</u>
26	FTE positions	143.1
27	Operating lump sum appropriation	\$ 12,483,300
28	Presidential preference election	4,408,100
29	Library grants-in-aid	651,400*
30	Statewide radio reading service	
31	for the blind	97,000
32	Uniform state laws commission	<u>100,000</u>
33	Total appropriation - department of	
34	state - secretary of state	\$ 17,739,800
35	Fund sources:	
36	State general fund	\$ 16,995,400
37	Records services fund	744,400

38 Included in the operating lump sum appropriation of \$12,483,300 for
 39 fiscal year 2019-2020 is \$5,000 for the purchase of mementos and items for
 40 visiting officials.

1	Sec. 88. STATE BOARD OF TAX APPEALS	
2		<u>2019-20</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 280,400
5	Fund sources:	
6	State general fund	\$ 280,400
7	Sec. 89. STATE BOARD OF TECHNICAL REGISTRATION	
8		<u>2019-20</u>
9	FTE positions	25.0
10	Lump sum appropriation	\$ 2,189,700
11	Fund sources:	
12	Technical registration fund	\$ 2,189,700
13	Sec. 90. OFFICE OF TOURISM	
14		<u>2019-20</u>
15	FTE positions	28.0
16	Tourism fund deposit	\$ 7,112,000
17	Arizona promotion	1,000,000
18	Wine promotion	<u>100,000</u>
19	Total appropriation - office of tourism	\$ 8,212,000
20	Fund sources:	
21	State general fund	\$ 8,212,000
22	Sec. 91. DEPARTMENT OF TRANSPORTATION	
23		<u>2019-20</u>
24	FTE positions	4,554.0
25	Operating lump sum appropriation	\$205,693,000
26	Attorney general legal services	3,623,700
27	Highway maintenance	141,493,000
28	Vehicles and heavy equipment	18,609,300
29	Driver safety and livestock control	800,000
30	Vehicle replacement	15,300,000
31	Highway damage recovery account	8,000,000
32	Preventive surface treatments	36,142,000
33	Authorized third parties	<u>2,013,700</u>
34	Total appropriation - department of	
35	transportation	\$431,674,700
36	Fund sources:	
37	Air quality fund	324,100
38	Arizona highway user revenue fund	654,400
39	Highway damage recovery account	8,000,000
40	Ignition interlock device fund	320,000

1	Motor vehicle liability	
2	insurance enforcement fund	2,672,100
3	Safety enforcement and	
4	transportation infrastructure	
5	fund - department of	
6	transportation subaccount	882,000
7	State aviation fund	2,007,000
8	State highway fund	396,143,200
9	Transportation department	
10	equipment fund	18,609,300
11	Vehicle inspection and certificate	
12	of title enforcement fund	2,062,600

13 Motor vehicle division

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

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

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

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

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

35 3. Provide updated plans for spending the department-dedicated
36 portion of the authorized third-party electronic service partner's fee
37 retention on completion of the motor vehicle modernization project in
38 fiscal year 2019-2020, including any amounts for stabilization,
39 maintenance, ongoing operations, support and enhancements for the motor
40 vehicle modernization solution, maintenance of legacy mainframe processing
41 and support capability, and other system projects outside the scope of the
42 motor vehicle modernization project.

1 On or before August 1, 2019, the department shall report to the
2 director of the joint legislative budget committee the state's share of
3 fees retained by the service Arizona vendor in the prior fiscal year. The
4 report shall also include the amount spent by the service Arizona vendor
5 on behalf of this state in the prior fiscal year, as well as a list of the
6 projects funded with those monies.

7 Other

8 Of the \$205,693,000 appropriated to the lump sum operating budget,
9 \$675,000 is appropriated on a onetime basis for special license plate
10 implementation and production costs.

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

14 Of the total amount appropriated, \$141,493,000 in fiscal year
15 2019-2020 for highway maintenance is exempt from the provisions of section
16 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
17 except that all unexpended and unencumbered monies of the appropriation
18 revert to their fund of origin, either the state highway fund established
19 by section 28-6991, Arizona Revised Statutes, or the safety enforcement
20 and transportation infrastructure fund - department of transportation
21 subaccount established by section 28-6547, Arizona Revised Statutes, on
22 August 31, 2020.

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

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

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

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

1	Sec. 92. STATE TREASURER	
2		<u>2019-20</u>
3	FTE positions	34.4
4	Operating lump sum appropriation	\$ 3,625,800
5	Justice of the peace salaries	1,205,100
6	Law enforcement/boating safety	
7	fund grants	<u>2,183,800</u>
8	Total appropriation - state treasurer	\$ 7,014,700
9	Fund sources:	
10	State general fund	\$ 1,205,100
11	Law enforcement and boating	
12	safety fund	2,183,800
13	State treasurer empowerment	
14	scholarship account fund	304,400
15	State treasurer's operating fund	3,025,800
16	State treasurer's management fund	295,600
17	On or before June 30, 2019 and June 30, 2020, the state treasurer	
18	shall report to the joint legislative budget committee staff on the state	
19	treasurer's current fiscal year and estimated next fiscal year	
20	expenditures of interest earnings spent pursuant to sections 35-315 and	
21	35-318, Arizona Revised Statutes, for the state treasurer's banking	
22	service contract, external investment management agreement, administrative	
23	and information technology costs and any other costs.	
24	Within thirty days after the award of a request for proposals for	
25	its general ledger software system replacement, the state treasurer shall	
26	report to the joint legislative budget committee staff on the total cost	
27	of development and ongoing annual operating costs for the system.	
28	Sec. 93. GOVERNOR'S OFFICE ON TRIBAL RELATIONS	
29		<u>2019-20</u>
30	FTE positions	3.0
31	Lump sum appropriation	\$ 60,900
32	Fund sources:	
33	State general fund	\$ 60,900
34	Sec. 94. ARIZONA BOARD OF REGENTS	
35		<u>2019-20</u>
36	FTE positions	25.9
37	Operating lump sum appropriation	\$ 2,363,400
38	Adaptive athletics	160,000
39	Arizona teacher academy	15,000,000
40	Arizona teachers incentive program	90,000
41	Arizona transfer articulation	
42	support system	213,700

1	Washington, D.C. internships	300,000
2	Western interstate commission	
3	office	153,000
4	WICHE student subsidies	<u>4,078,000</u>
5	Total appropriation - Arizona board of	
6	regents	\$ 22,358,100
7	Fund sources:	
8	State general fund	\$ 22,358,100

9 The Arizona board of regents shall distribute monies appropriated
10 for the adaptive athletics line item to each university under the
11 jurisdiction of the board to maintain and operate an intercollegiate
12 adaptive athletics program that provides opportunities for competitive
13 wheelchair and adaptive sports to students and community members with
14 disabilities. The monies may be spent only when the university collects
15 matching monies of gifts, grants and donations for the intercollegiate
16 adaptive athletics program from sources other than this state.
17 Universities may spend the monies only on scholarships, equipment,
18 uniforms, travel expenses and tournament fees for participants in the
19 intercollegiate adaptive athletics program. The monies may not be used
20 for administrative costs, personal services or employee-related
21 expenditures.

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

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

39 When determining any statewide adjustments, the joint legislative
40 budget committee staff shall use the overall allocation of state general
41 fund and appropriated tuition monies for each university in determining
42 that university's specific adjustment.

1	Sec. 95. ARIZONA STATE UNIVERSITY	
2		<u>2019-20</u>
3	FTE positions	7,699.9
4	Operating lump sum appropriation	\$822,010,800
5	Biomedical informatics	3,716,800
6	TRIF lease-purchase payment	3,600,000
7	School of civic and economic	
8	thought and leadership	3,023,800
9	Arizona financial aid trust	5,985,800
10	Downtown Phoenix campus	<u>123,212,100</u>
11	Total appropriation - Arizona state	
12	university	\$961,549,300
13	Fund sources:	
14	State general fund	\$297,874,700
15	University collections fund	660,074,600
16	Technology and research	
17	initiative fund	3,600,000

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

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

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

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

29 The appropriated amount for the school of civic and economic thought
30 and leadership line item shall be used to operate a single stand-alone
31 academic entity within Arizona state university. The appropriated amount
32 may not supplant any existing state funding or private or external
33 donations to the existing centers or to the school. The appropriated
34 monies and all private and external donations to the school, including any
35 remaining balances from prior fiscal years, shall be deposited in a
36 separate account, shall be used only for the direct operation of the
37 school and may not be used for indirect costs of the university. On or
38 before October 1, 2019, the school shall submit a report to the president
39 of the senate, the speaker of the house of representatives, the
40 chairpersons of the senate education committee and the house of
41 representatives education committee and the director of the joint
42 legislative budget committee that includes at least the following
43 information for the school:

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

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

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

17 Sec. 96. NORTHERN ARIZONA UNIVERSITY

	<u>2019-20</u>
18 FTE positions	2,316.5
19 Operating lump sum appropriation	\$250,858,200
20 NAU - Yuma	3,071,400
21 Arizona financial aid trust	1,326,000
22 Teacher training	2,291,700
23 Economic policy institute	500,000
24 Biomedical research funding	<u>3,000,000</u>
25 Total appropriation - Northern Arizona	
26 university	\$261,047,300
27 Fund sources:	
28 State general fund	\$100,088,400
29 University collections fund	160,958,900

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

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

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

37 The appropriated amount for the teacher training line item shall be
38 distributed to the Arizona K-12 center for program implementation and
39 mentor training for the Arizona mentor teacher program prescribed by the
40 state board of education.
41

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

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

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

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

22 3. Performance measures, including:

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

25 (b) Progress that has been made toward achieving each outcome,
26 including activities, resources and other evidence of the progress.

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

28 (d) Publications, presentations and narratives related to each
29 outcome and how the expenditures from all state sources of monies that the
30 nonprofit foundation received have benefited this state.

31 The appropriated amount for the economic policy institute line item
32 may not supplant any existing state funding or private or external
33 donations to the institute or to the university. The appropriated monies
34 and all private and external donations to the institute, including any
35 remaining balances from prior fiscal years, shall be deposited in a
36 separate account, shall be used only for the direct operation of the
37 institute and may not be used for indirect costs of the university. On or
38 before October 1, 2019, the institute shall submit to the president of the
39 senate, the speaker of the house of representatives, the chairpersons of
40 the senate education committee and the house of representatives education
41 committee and the director of the joint legislative budget committee a
42 report that includes at least the following information for the institute:

- 1 1. The total amount of funding received from all sources.
 - 2 2. A description of the faculty positions and courses offered.
 - 3 3. The total undergraduate and graduate student participation.
 - 4 4. Significant community events, initiatives or publications.
- 5 The chairpersons of the senate education committee and the house of
6 representatives education committee may request the director of the
7 institute to appear before the committees to report on the institute's
8 annual achievements.

9 Sec. 97. UNIVERSITY OF ARIZONA

	<u>2019-20</u>
10 <u>Main campus</u>	
11 FTE positions	6,092.5
12 Operating lump sum appropriation	\$490,348,700
13 Agriculture	44,951,900
14 Arizona cooperative extension	16,462,300
15 Center for the philosophy	
16 of freedom	2,526,500
17 Sierra Vista campus	7,574,500
18 Arizona financial aid trust	2,729,400
19 Mining, mineral and natural	
20 resources educational museum	428,800
21 Arizona geological survey	<u>948,500</u>
22 Total - main campus	\$565,970,600
23 Fund sources:	
24 State general fund	\$180,868,900
25 University collections fund	385,101,700
26 <u>Health sciences center</u>	
27 FTE positions	1,226.3
28 Operating lump sum appropriation	\$ 79,049,100
29 Clinical rural rotation	353,600
30 Clinical teaching support	8,587,000
31 Liver research institute	440,400
32 Phoenix medical campus	40,421,400
33 Telemedicine network	<u>1,670,000</u>
34 Total - health sciences center	\$130,521,500
35 Fund sources:	
36 State general fund	\$ 76,897,700
37 University collections fund	<u>53,623,800</u>
38 Total appropriation - university of	
39 Arizona	\$696,492,100
40 Fund sources:	
41 State general fund	\$257,766,600
42 University collections fund	438,725,500

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

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

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

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

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

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

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

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

1	Sec. 98. DEPARTMENT OF VETERANS' SERVICES	
2		<u>2019-20</u>
3	FTE positions	497.3
4	Operating lump sum appropriation	\$ 2,323,800
5	Arizona state veterans' homes	35,414,100
6	Arizona state veterans' cemeteries	930,800
7	Veterans' benefit counseling	2,841,000
8	Veterans' suicide prevention	1,225,500
9	Veterans' trauma treatment	
10	services	<u>450,000</u>
11	Total appropriation - department of	
12	veterans' services	\$ 43,185,200
13	Fund sources:	
14	State general fund	\$ 7,771,100
15	State home for veterans trust	
16	fund	35,414,100
17	The amount appropriated for veterans' suicide prevention line item	
18	shall be distributed to a nonprofit veterans' services organization that	
19	provides services related to reducing suicides among this state's military	
20	and veteran population. The department may spend up to \$75,700 of this	
21	appropriation to hire a program specialist to liaise between the	
22	department and the selected nonprofit organization. Before the	
23	expenditure of the monies, the department shall submit an expenditure	
24	report for review by the joint legislative budget committee that includes	
25	the status of non-state matching grant monies.	
26	Monies appropriated for the veterans' trauma treatment services line	
27	item shall be used to provide grants to contractors as defined in section	
28	36-2901, Arizona Revised Statutes, that provide trauma treatment services	
29	training to any of the following health professionals licensed pursuant to	
30	title 32, Arizona Revised Statutes:	
31	1. Physicians.	
32	2. Registered nurse practitioners.	
33	3. Physician assistants.	
34	4. Psychologists.	
35	5. Behavioral health professionals who are either licensed for	
36	individual practice or supervised by a psychologist, registered nurse	
37	practitioner or behavioral health professional licensed pursuant to	
38	title 32, Arizona Revised Statutes, for independent practice.	
39	Sec. 99. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD	
40		<u>2019-20</u>
41	FTE positions	6.0
42	Lump sum appropriation	\$ 591,100
43	Fund sources:	
44	Veterinary medical examining	
45	board fund	\$ 591,100

1	Sec. 100. DEPARTMENT OF WATER RESOURCES	
2		<u>2019-20</u>
3	FTE positions	145.0
4	Operating lump sum appropriation	\$ 10,370,100
5	Adjudication support	1,740,100
6	Arizona water protection fund	
7	deposit	750,000
8	Assured and adequate water supply	
9	administration	1,992,400
10	Rural water studies	1,162,600
11	Conservation and drought program	410,200
12	Automated groundwater monitoring	411,500
13	Colorado River legal expenses	<u>500,000*</u>
14	Total appropriation - department of water	
15	resources	\$ 17,336,900
16	Fund sources:	
17	State general fund	\$ 14,909,800
18	Water resources fund	946,400
19	Assured and adequate water	
20	supply administration fund	268,500
21	Arizona water banking fund	1,212,200

22 Monies in the assured and adequate water supply administration line
 23 item may be used only for the exclusive purposes prescribed in sections
 24 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The
 25 department of water resources may not transfer any monies into or out of
 26 the assured and adequate water supply administration line item.

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

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

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

40 Fiscal Year 2018-2019 Appropriation Adjustments

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

44 A. In addition to any other appropriations made in fiscal year
 45 2018-2019, the sum of \$9,168,400 is appropriated from the risk management

1 revolving fund established by section 41-622, Arizona Revised Statutes, in
2 fiscal year 2018-2019 to the department of administration for the
3 following purposes:

4 1. To pay disallowed costs relating to excess retained earnings.

5 2. To pay disallowed costs relating to the statewide information
6 technology charges.

7 3. For fund transfers in fiscal year 2017-2018.

8 4. To pay interest owed from prior-year disallowed costs.

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

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

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

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

26 In addition to any other appropriations made in state fiscal year
27 2019-2020, the sum of \$750,000 is appropriated from the state general fund
28 in fiscal year 2019-2020 to the Arizona health care cost containment
29 system administration for a onetime distribution to a nonprofit
30 organization with a network of community health centers in northern
31 Arizona for graduate medical education program expenses to address primary
32 care provider shortages in northern Arizona.

33 Sec. 104. Attorney general; lapsing; exemption

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

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

42 A. In addition to any other appropriations made in fiscal year
43 2018-2019, the sum of \$7,400,000 is appropriated from the federal child
44 care and development fund block grant to the department of child safety

1 for child care subsidies to increase the number of children served and to
2 increase maximum reimbursement levels.

3 B. In addition to any other appropriations made in fiscal year
4 2018-2019, the sum of \$48,400,000 is appropriated from the federal child
5 care and development fund block grant to the department of economic
6 security for child care subsidies to increase the number of children
7 served and to increase maximum reimbursement levels.

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

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

14 A. In addition to any other appropriations made in fiscal year
15 2018-2019, the sum of \$950,000 is appropriated from the state general fund
16 in fiscal year 2018-2019 to the department of economic security for food
17 bank storage and distribution of food.

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

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

24 In addition to any other appropriations made in fiscal year
25 2018-2019, the sum of \$10,400,000 from the state general fund, \$1,000,000
26 from the health services lottery monies fund established by section
27 36-108.01, Arizona Revised Statutes, and \$24,071,300 from developmental
28 disabilities medicaid expenditure authority are appropriated in fiscal
29 year 2018-2019 to the department of economic security for division of
30 developmental disabilities program expenses.

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

34 A. In addition to any other appropriations made in fiscal year
35 2018-2019, the sum of \$500,000 from expenditure authority is appropriated
36 in fiscal year 2018-2019 to the department of economic security for
37 assistance to developmental disabilities services providers. The total
38 includes the following changes by fund:

- 39 1. \$150,000 from voluntary payments made by political subdivisions.
- 40 2. \$350,000 from developmental disabilities medicaid expenditure
41 authority.

42 B. The department may spend \$2 of the developmental disabilities
43 medicaid expenditure authority monies appropriated in subsection A of this
44 section for each \$1 that the city of Flagstaff provides as voluntary
45 payments for this purpose. The department shall distribute the monies to

1 developmental disabilities services providers that experience the highest
2 mandated labor cost increases for services provided in the city of
3 Flagstaff.

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

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

9 On or after April 1, 2020, the department of economic security may
10 use up to \$25,000,000 from the budget stabilization fund established by
11 section 35-144, Arizona Revised Statutes, for the purpose of providing
12 funding for reimbursement grants. Before using the monies from the budget
13 stabilization fund, the department shall notify the director of the joint
14 legislative budget committee and the director of the governor's office of
15 strategic planning and budgeting. Notwithstanding any other law, this
16 appropriation must be fully reimbursed on or before September 1, 2020 and
17 must be reimbursed in full as part of the closing process for fiscal year
18 2019-2020. The appropriation may not be used for additional programmatic
19 expenditures.

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

22 Notwithstanding section 15-901.03, Arizona Revised Statutes, the
23 superintendent of public instruction may transfer up to \$1,600,000 from
24 the state general fund appropriation for basic state aid for fiscal year
25 2018-2019 to the results-based funding program for fiscal year 2018-2019
26 without review by the joint legislative budget committee. Any amount
27 transferred to the results-based funding program under this section that
28 exceeds the amount needed to address a funding shortfall for the
29 results-based funding program for fiscal year 2018-2019 reverts to the
30 state general fund on June 30, 2019.

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

34 Of the \$441,700 appropriated to the state board of funeral directors
35 and embalmers from the board of funeral directors' and embalmers' fund in
36 fiscal year 2018-2019 by Laws 2018, chapter 276, section 40, the sum of
37 \$75,000 is exempt from the provisions of section 35-190, Arizona Revised
38 Statutes, relating to lapsing of appropriations until June 30, 2020 for
39 the purpose of paying document digitization costs.

40 Sec. 112. Superintendent of public instruction; basic state
41 aid; supplemental appropriation; fiscal year
42 2018-2019

43 A. In addition to any other appropriation reductions made in fiscal
44 year 2018-2019, the sum of \$16,833,400 is reduced from appropriations made

1 from the state general fund in fiscal year 2018-2019 to the superintendent
2 of public instruction for basic state aid.

3 B. In addition to any other appropriations made in fiscal year
4 2018-2019, the sum of \$6,833,400 is appropriated from the state school
5 trust revenue bond debt service fund in fiscal year 2018-2019 to the
6 superintendent of public instruction for basic state aid.

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

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

14 Sec. 114. Supplemental appropriation; secretary of state

15 In addition to any other appropriations made in fiscal year
16 2018-2019, the sum of \$700,000 is appropriated from the state general fund
17 in fiscal year 2018-2019 to the secretary of state for operating expenses.

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

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

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

27 In addition to any other appropriations made in fiscal year
28 2018-2019, the sum of \$25,000,000 is appropriated from the state general
29 fund in fiscal year 2018-2019 to the school facilities board for building
30 renewal grants.

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

33 The sum of \$287,800 is appropriated from the state general fund in
34 fiscal year 2018-2019 for elected officials retirement contribution rate
35 adjustments. The joint legislative budget committee staff shall determine
36 and the department of administration shall allocate to each agency or
37 department an amount for the retirement adjustment. The joint legislative
38 budget committee staff shall also determine and the department of
39 administration shall allocate adjustments, as necessary, in expenditure
40 authority to allow implementation of the elected officials retirement
41 adjustment. The amount includes state funding for elected officials
42 retirement adjustments for the portion of superior court judges' salaries
43 paid by the state.

1 child to at least five adults who teach, model and provide research-based
2 support to the child.

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

5 Appropriation

6 A. The sum of \$10,100,000 is appropriated from the department of
7 child safety subaccount in the automation projects fund established
8 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
9 2019-2020 to the department of administration to implement upgrades to the
10 children's information library and data source system at the department of
11 child safety.

12 B. The sum of \$200,000 is appropriated from the Arizona department
13 of agriculture subaccount in the automation projects fund established
14 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
15 2019-2020 to the department of administration to conduct a feasibility
16 study to replace or upgrade information technology systems at the Arizona
17 department of agriculture.

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

23 D. The sum of \$300,000 is appropriated from the medical board
24 subaccount in the automation projects fund established pursuant to section
25 41-714, Arizona Revised Statutes, in fiscal year 2019-2020 to the
26 department of administration for information technology projects.

27 E. The following amounts are appropriated from the department of
28 public safety subaccount in the automation projects fund established
29 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
30 2019-2020 to the department of administration for the following statewide
31 automation and information technology projects at the department of public
32 safety:

- 33 1. \$410,000 to update the concealed weapons tracking system.
- 34 2. \$2,301,000 to implement updates to the criminal justice
35 information system.

36 F. The sum of \$1,000,000 is appropriated from the department of
37 administration subaccount in the automation projects fund established
38 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
39 2019-2020 to the department of administration to conduct a feasibility
40 study of a business one-stop shop web portal and to initiate the system
41 design.

1 Quarterly Report

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

9 Nonlapsing

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

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

19 Sec. 127. Arizona commerce authority; allocation; fiscal year
20 2019-2020

21 Pursuant to section 43-409, Arizona Revised Statutes, \$15,500,000 of
22 the state general fund withholding tax revenues is allocated in fiscal
23 year 2019-2020 to the Arizona commerce authority, of which \$10,000,000 is
24 credited to the Arizona commerce authority fund established by section
25 41-1506, Arizona Revised Statutes, and \$5,500,000 is credited to the
26 Arizona competes fund established by section 41-1545.01, Arizona Revised
27 Statutes.

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

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

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

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

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

1 F. The appropriation made in subsection A of this section is exempt
2 from the provisions of section 35-190, Arizona Revised Statutes, relating
3 to lapsing of appropriations, except that any amounts that remain
4 unexpended and unencumbered on June 30, 2023 revert to the state web
5 portal fund.

6 Sec. 130. Arizona commerce authority; appropriation; rural
7 broadband; fiscal year 2019-2020; exemption

8 A. The sum of \$3,000,000 in onetime funding is appropriated from
9 the state general fund in fiscal year 2019-2020 to the Arizona commerce
10 authority for the purpose of providing rural broadband grants. The
11 Arizona commerce authority shall report to the joint legislative budget
12 committee on or before January 31, 2020 on its plan for distributing these
13 grants.

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

17 Sec. 131. Appropriation; felony pretrial intervention
18 program; probation surveillance; case management

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

25 Sec. 132. Appropriation; small drinking water systems fund;
26 fiscal year 2019-2020; report

27 A. The sum of \$500,000 in onetime funding is appropriated from the
28 state general fund in fiscal year 2019-2020 to the small drinking water
29 systems fund established by section 49-355, Arizona Revised Statutes, for
30 grants to interim operators, interim managers or owners of small drinking
31 water systems.

32 B. The water infrastructure finance authority of Arizona shall
33 report to the joint legislative budget committee on or before December 31,
34 2019, December 31, 2020 and December 31, 2021 on the annual amount of
35 expenditures from the small drinking water systems fund established by
36 section 49-355, Arizona Revised Statutes, for grants to interim operators,
37 interim managers or owners of small drinking water systems during the
38 prior fiscal year.

39 Sec. 133. Arizona community colleges; appropriations; STEM
40 and workforce development; fiscal years
41 2019-2020, 2020-2021 and 2021-2022

42 The following amounts are appropriated from the state general fund
43 in each of fiscal years 2019-2020, 2020-2021 and 2021-2022 to the
44 following Arizona community college districts for STEM and workforce
45 development:

- 1 1. Maricopa \$1,600,000
- 2 2. Pima \$ 400,000

3 Sec. 134. Arizona community colleges; appropriations; fiscal
4 year 2019-2020

5 A. The sum of \$15,000,000 is appropriated from the state general
6 fund in fiscal year 2019-2020 to Pima community college to expand the Pima
7 aviation center.

8 B. The sum of \$5,800,000 is appropriated from the state general
9 fund in fiscal year 2019-2020 to Maricopa community college district for
10 health care specialty expansion.

11 C. The following amounts are appropriated from the state general
12 fund in fiscal year 2019-2020 to the following community college
13 districts:

- 14 1. Cochise \$3,140,100
- 15 2. Coconino \$1,003,100
- 16 3. Gila \$ 343,200
- 17 4. Graham \$1,568,100
- 18 5. Mohave \$1,152,100
- 19 6. Navajo \$ 889,200
- 20 7. Pinal \$1,795,400
- 21 8. Santa Cruz \$ 64,200
- 22 9. Yavapai \$1,761,300
- 23 10. Yuma/La Paz \$2,483,300

24 Sec. 135. Appropriation: superintendent of public
25 instruction; schools on proving grounds;
26 demolition and construction; matching monies;
27 lapsing of appropriations

28 A. The sum of \$800,000 is appropriated from the state general fund
29 in fiscal year 2019-2020 to the superintendent of public instruction to
30 distribute to an elementary school district that operates a school on a
31 proving ground that is operated by the United States army and that
32 encompasses at least one thousand square miles in this state.

33 B. The monies appropriated in subsection A of this section may be
34 used only to demolish an existing or former school that is located on a
35 proving ground operated by the United States army or to construct a new
36 replacement school on that same proving ground.

37 C. The monies appropriated in subsection A of this section may be
38 spent only if the United States department of defense provides matching
39 monies for this purpose in an amount that is equivalent to at least eighty
40 percent of the total project cost.

1 D. Notwithstanding section 35-190, Arizona Revised Statutes, the
2 appropriation made in subsection A of this section does not lapse until
3 the purpose for which the appropriation is made is accomplished or
4 abandoned unless the appropriation stands until October 1, 2029 without an
5 expenditure or encumbrance. In addition, all monies remaining unexpended
6 and unencumbered on October 1, 2029 revert to the state general fund.

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

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

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

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

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

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

33 Sec. 138. Appropriation; superintendent of public
34 instruction; gifted education; fiscal year
35 2019-2020

36 In addition to any other appropriations made in state fiscal year
37 2019-2020, the sum of \$1,000,000 in onetime funding is appropriated from
38 the state general fund in fiscal year 2019-2020 to the superintendent of
39 public instruction for gifted education.

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

43 The sum of \$1,269,300 is appropriated from the emissions inspection
44 fund established by section 49-544, Arizona Revised Statutes, in fiscal
45 year 2019-2020 and the sum of \$1,300,000 is appropriated from the air

1 quality fund established by section 49-551, Arizona Revised Statutes, in
2 fiscal year 2019-2020 to the department of environmental quality for the
3 Nogales wash and international outfall interceptor project.

4 Sec. 140. Department of environmental quality; appropriation:
5 dust suppression pilot program; fiscal year
6 2019-2020

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

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

14 A. In addition to any other appropriations made in fiscal year
15 2019-2020, the sum of \$750,000 is appropriated from the state general fund
16 in fiscal year 2019-2020 to the Arizona department of forestry and fire
17 management to distribute to the Mount Lemmon fire district to construct a
18 water line.

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

24 Sec. 142. Appropriations; Arizona department of forestry and
25 fire management; nonnative vegetation species
26 eradication fund; fiscal years 2019-2020 through
27 2028-2029

28 A. The sum of \$1,000,000 is appropriated from the state general
29 fund in each of fiscal years 2019-2020, 2020-2021, 2021-2022, 2022-2023,
30 2023-2024, 2024-2025, 2025-2026, 2026-2027, 2027-2028 and 2028-2029 to the
31 Arizona department of forestry and fire management for deposit in the
32 nonnative vegetation species eradication fund established by section
33 37-1309, Arizona Revised Statutes, to assist in preventing wildland fires
34 and flooding.

35 B. In addition to any other appropriations made in fiscal year
36 2019-2020, the sum of \$1,000,000 is appropriated onetime from the state
37 general fund in fiscal year 2019-2020 to the Arizona department of
38 forestry and fire management for deposit in the nonnative vegetation
39 species eradication fund established by section 37-1309, Arizona Revised
40 Statutes, to assist in preventing wildland fires and flooding.

1 C. Before any expenditure of the monies appropriated in subsection
2 A of this section for capital improvements, the university shall submit
3 the scope, purpose and estimated cost of the capital improvements for
4 review by the joint committee on capital review pursuant to section
5 41-1252, Arizona Revised Statutes.

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

8 The sum of \$20,000,000 is appropriated from the state general fund
9 in fiscal year 2019-2020 to the temporary groundwater and irrigation
10 efficiency projects fund established by section 45-615.01, Arizona Revised
11 Statutes, to construct, rehabilitate and lease wells and infrastructure
12 related to the withdrawal and efficient delivery of groundwater by
13 qualified irrigation districts as defined in section 45-615.01, Arizona
14 Revised Statutes. The disbursement of monies must be evidenced by an
15 agreement between the qualified irrigation districts and the director of
16 water resources. The terms of the agreement shall require the repayment
17 of the monies disbursed pursuant to this section on or before December 31,
18 2021 and may not require payment of interest by the qualified irrigation
19 district. The director shall reimburse the state general fund with all
20 monies repaid by qualified irrigation districts pursuant to this section.
21 The appropriation may not be used for additional programmatic
22 expenditures.

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

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

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

35 Sec. 158. Phoenix convention center; allocation; fiscal year
36 2019-2020

37 Pursuant to section 9-602, Arizona Revised Statutes, \$23,500,000 of
38 state general fund revenue is allocated in fiscal year 2019-2020 to the
39 Arizona convention center development fund established by section 9-601,
40 Arizona Revised Statutes.

1 G. The transfers into the automation projects fund established by
2 section 41-714, Arizona Revised Statutes, are not appropriations out of
3 the automation projects fund. Only direct appropriations out of the
4 automation projects fund are appropriations.

5 Sec. 168. Attorney general; transfer; settlement agreement

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

10 Sec. 169. Arizona highway patrol fund; state highway fund;
11 vehicle license tax; transfer; fiscal year
12 2019-2020

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

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

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

30 Payment Deferrals

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

34 A. In addition to any other appropriation reductions made in fiscal
35 year 2019-2020, notwithstanding any other law, the department of education
36 shall defer until after June 30, 2020 but not later than July 12, 2020
37 \$930,727,700 of the basic state aid and additional state aid payment that
38 otherwise would be apportioned to school districts during fiscal year
39 2019-2020 pursuant to section 15-973, Arizona Revised Statutes. The
40 funding deferral required by this subsection does not apply to charter
41 schools or to school districts with a student count of less than six
42 hundred pupils. The department of education shall make the deferral by
43 reducing the apportionment of state aid for each month in the fiscal year
44 by the same amount.

1 B. In addition to any other appropriations made in fiscal year
 2 2020-2021, the sum of \$930,727,700 is appropriated from the state general
 3 fund in fiscal year 2020-2021 to the department of education and the
 4 superintendent of public instruction for basic state aid and additional
 5 state aid entitlement for fiscal year 2020-2021. This appropriation shall
 6 be disbursed after June 30, 2020 but not later than July 12, 2020 to the
 7 several counties for the school districts in each county in amounts equal
 8 to the reductions in apportionment of basic state aid and additional state
 9 aid that are required pursuant to subsection A of this section for fiscal
 10 year 2019-2020.

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

14 Statewide Adjustments

15 Sec. 171. Appropriations; operating adjustments

	<u>2019-20</u>
17 1. Employer health insurance	
18 contribution reduction	\$(19,967,600)
19 Fund sources:	
20 State general fund	\$ (9,967,600)
21 Other funds	(10,000,000)
22 2. Employer health insurance	
23 contribution increase	\$ 20,544,400
24 Fund sources:	
25 State general fund	\$ 10,544,400
26 Other funds	10,000,000
27 3. Elected officials retirement	
28 adjustments	\$ 287,800
29 Fund sources:	
30 State general fund	\$ 287,800
31 Other appropriated funds	0
32 4. Agency retirement adjustments	\$ 4,000,000
33 Fund sources:	
34 Other funds	\$ 4,000,000
35 5. Agency risk management adjustments	\$ 2,965,100
36 Fund sources:	
37 State general fund	\$ 2,341,700
38 Other funds	623,400
39 6. Agency rent adjustments	\$ (619,700)
40 Fund sources:	
41 State general fund	\$ (549,700)
42 Other funds	(70,000)

1	7.	State building rent increases	\$	2,923,000
2		Fund sources:		
3		State general fund	\$	2,023,000
4		Other funds		900,000
5	8.	Shared services adjustments	\$	110,600
6		Fund sources:		
7		State general fund	\$	10,600
8		Other funds		100,000
9	9.	Correctional officer retirement		
10		adjustments	\$	(3,710,100)
11		Fund sources:		
12		State general fund	\$	(3,710,100)
13	10.	Information technology pro rata		
14		adjustments	\$	1,967,700
15		Fund sources:		
16		State general fund	\$	1,067,700
17		Other funds		900,000

18 Employer health insurance contribution reduction

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

31 Employer health insurance contribution increase

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

1 Elected officials retirement adjustments

2 The amount appropriated is for elected officials retirement
3 contribution rate adjustments in fiscal year 2019-2020. The joint
4 legislative budget committee staff shall determine and the department of
5 administration shall allocate to each agency or department an amount for
6 the retirement adjustment. The joint legislative budget committee staff
7 shall also determine and the department of administration shall allocate
8 adjustments, as necessary, in expenditure authority to allow
9 implementation of the elected officials retirement adjustment. The amount
10 includes state funding for elected officials retirement adjustments for
11 the portion of superior court judges' salaries paid by the state.

12 Agency retirement adjustments

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

20 Agency risk management adjustments

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

29 Agency rent adjustments

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

38 State building rent increases

39 The amount appropriated for state building rent increases is for
40 rental rate increases at state-owned buildings in fiscal year 2019-2020.
41 These adjustments reflect an increase in the rentable square foot rental
42 rate for state-owned space as prescribed in the fiscal year 2019-2020
43 budget procedures budget reconciliation bill. The rate increases from
44 \$16.08 to \$17.87 per square foot for office space and from \$5.79 to \$6.43
45 per square foot for storage space. The joint legislative budget committee

1 staff shall determine and the department of administration shall allocate
2 to each agency or department an amount for the rent increase. The joint
3 legislative budget committee staff shall also determine and the department
4 of administration shall allocate adjustments, as necessary, in expenditure
5 authority to allow implementation of the state building rent increase.

6 Shared services adjustments

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

16 Correctional officer retirement adjustments

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

22 Information technology pro rata adjustments

23 The amount appropriated is for information technology pro rata
24 adjustments in fiscal year 2019-2020. These adjustments reflect an
25 increase in the information technology prorated amount from .30 percent to
26 .43 percent as prescribed in the fiscal year 2019-2020 budget procedures
27 budget reconciliation bill. The joint legislative budget committee staff
28 shall determine and the department of administration shall allocate to
29 each agency or department an amount for the pro rata adjustment. The
30 joint legislative budget committee staff shall also determine and the
31 department of administration shall allocate adjustments, as necessary, in
32 expenditure authority to allow implementation of the information
33 technology pro rata adjustments.

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

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

- | | | | |
|----|---|----|--------|
| 38 | 1. Arizona department of agriculture | \$ | 29,900 |
| 39 | Fund sources: | | |
| 40 | State general fund | \$ | 29,900 |
| 41 | 2. Attorney general – department of law | \$ | 75,500 |
| 42 | Fund sources: | | |
| 43 | State general fund | \$ | 54,800 |
| 44 | Consumer protection-consumer | | |
| 45 | fraud revolving fund | | 11,700 |

1	Collection enforcement	
2	revolving fund	9,000
3	3. Department of child safety	\$ 6,422,400
4	Fund sources:	
5	State general fund	\$ 5,459,000
6	DCS expenditure authority	963,400
7	4. Corporation commission	\$ 18,500
8	Fund sources:	
9	Securities regulatory and	
10	enforcement fund	\$ 15,600
11	Investment management regulatory	
12	and enforcement fund	2,900
13	5. State department of corrections	\$35,479,300
14	Fund sources:	
15	State general fund	\$35,479,300
16	6. Arizona game and fish department	\$ 485,700
17	Fund sources:	
18	Game and fish fund	\$ 478,600
19	Watercraft licensing fund	7,100
20	7. Department of health services	\$ 2,793,400
21	Fund sources:	
22	State general fund	\$ 2,793,400
23	8. Department of insurance	\$ 19,900
24	Fund sources:	
25	State general fund	\$ 19,900
26	9. Department of juvenile corrections	\$ 3,241,300
27	Fund sources:	
28	State general fund	\$ 3,241,300
29	10. Department of liquor licenses	
30	and control	\$ 85,800
31	Fund sources:	
32	Liquor licenses fund	\$ 85,800
33	11. Arizona state parks board	\$ 75,300
34	Fund sources:	
35	State parks revenue fund	\$ 75,300
36	12. Department of public safety	\$21,490,100
37	Fund sources:	
38	State general fund	\$21,490,100
39	13. Department of transportation	\$ 510,000
40	Fund sources:	
41	State highway fund	\$ 510,000

42 B. The legislature intends that the monies appropriated in
43 subsection A of this section fund salary increases for the following
44 positions:

1	1. Arizona department of agriculture	
2	Livestock officers	
3	2. Attorney general – department of law	
4	Investigators	
5	3. Department of child safety	
6	Caseworkers	
7	Case aides	
8	Program supervisors	
9	Program specialists	
10	Entry-level administration	
11	4. Corporation commission	
12	Securities division – special	
13	investigators	
14	5. State department of corrections	
15	Security/correctional officers	10.00%
16	Education/teachers	9.17%
17	Correctional records	5.00%
18	Counseling/treatment	13.16%
19	Religion	5.00%
20	6. Arizona game and fish department	
21	Wildlife law enforcement	
22	Wildlife managers	
23	7. Department of health services	
24	Behavioral health technicians	
25	Nurses	
26	Security	
27	8. Department of insurance	
28	Insurance fraud investigators	
29	9. Department of juvenile corrections	
30	Security/correctional officers	14.90%
31	Education/teachers	8.45%
32	10. Department of liquor licenses	
33	and control	
34	Investigators	
35	11. Arizona state parks board	
36	Park ranger – law enforcement	
37	officers	
38	12. Department of public safety	
39	Sworn positions	10.00%
40	Civilian positions	5.00%
41	13. Department of transportation	
42	Enforcement and compliance officers	

1 C. Agencies shall adjust their step plans and salary schedules to
2 conform to the actual salary increases implemented for each position type.

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

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

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

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

1	29. Commission for postsecondary education	\$ 1,800
2	30. Department of public safety	\$677,400
3	31. Arizona state retirement system	\$ 69,100
4	32. Department of revenue	\$ 4,900
5	33. Department of state - secretary of state	\$ 1,800
6	34. State treasurer	\$ 9,200
7	35. Department of veterans' services	\$ 52,700

8 Other Provisions

9 Sec. 174. Legislative intent; expenditure reporting

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

20 Sec. 175. FTE positions; reporting; definition

21 Full-time equivalent (FTE) positions contained in this act are
22 subject to appropriation. The director of the department of
23 administration shall account for the use of all appropriated and
24 nonappropriated FTE positions, excluding those in the universities. The
25 director of the department of administration shall submit the fiscal year
26 2019-2020 report on or before October 1, 2020 to the director of the joint
27 legislative budget committee. The report shall compare the level of
28 appropriated FTE usage in each fiscal year to the appropriated level. For
29 the purposes of this section, "FTE positions" means the total number of
30 hours worked, including both regular and overtime hours as well as hours
31 taken as leave, divided by the number of hours in a work year. The
32 director of the department of administration shall notify the director of
33 a budget unit if the budget unit's appropriated FTE usage has exceeded its
34 number of appropriated FTE positions. The universities shall each report
35 to the director of the joint legislative budget committee in a manner
36 comparable to the department of administration reporting.

37 Sec. 176. Filled FTE positions; reporting

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

42 Sec. 177. Transfer of spending authority

43 The department of administration shall report monthly to the
44 director of the joint legislative budget committee any transfers of

1 spending authority made pursuant to section 35-173, subsection C, Arizona
2 Revised Statutes, during the prior month.

3 Sec. 178. Interim reporting requirements

4 A. State general fund revenue for fiscal year 2018-2019, including
5 a beginning balance of \$449,632,000 and other onetime revenues, is
6 forecasted to be \$11,428,600,000.

7 B. State general fund revenue for fiscal year 2019-2020, including
8 onetime revenues, is forecasted to be \$11,917,600,000.

9 C. State general fund revenue for fiscal year 2020-2021, including
10 onetime revenues, is forecasted to be \$11,514,400,000. State general fund
11 expenditures for fiscal year 2020-2021 are forecasted to be
12 \$11,472,900,000.

13 D. State general fund revenue for fiscal year 2021-2022, including
14 onetime revenues, is forecasted to be \$11,923,400,000. State general fund
15 expenditures for fiscal year 2021-2022 are forecasted to be
16 \$11,918,400,000.

17 E. The executive branch shall provide to the joint legislative
18 budget committee a preliminary estimate of the fiscal year 2018-2019 state
19 general fund ending balance on or before September 15, 2019. The estimate
20 shall include projections of total revenues, total expenditures and ending
21 balance. The department of administration shall continue to provide the
22 final report for the fiscal year in its annual financial report pursuant
23 to section 35-131, Arizona Revised Statutes.

24 F. Based on the information provided by the executive branch, the
25 staff of the joint legislative budget committee shall report to the joint
26 legislative budget committee on or before October 15, 2019 whether the
27 fiscal year 2019-2020 revenues and ending balance are expected to change
28 by more than \$50,000,000 from the budgeted projections. The joint
29 legislative budget committee staff may make technical adjustments to the
30 revenue and expenditure estimates in this section to reflect other bills
31 enacted into law. The executive branch may also provide its own estimates
32 to the joint legislative budget committee on or before October 15, 2019.

33 Sec. 179. Definition

34 For the purposes of this act, "*" means this appropriation is a
35 continuing appropriation and is exempt from the provisions of section
36 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

37 Sec. 180. Definition

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

41 Sec. 181. Definition

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

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