STATE OF ARIZONA
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HOUSE BILL 2862

AN ACT

AMENDING LAWS 2021, CHAPTER 408, SECTION 117; APPROPRIATING MONIES.

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

Section 1. Laws 2021, chapter 408, section 117 is amended to read:

Sec. 117. **Automation projects fund; appropriations; fiscal year 2021-2022; quarterly reports; exemption**

A. The following amounts are appropriated from the department of administration subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration for the following automation and information projects at the department of administration:

1. $2,000,000 to relocate the Tucson data center to a third-party location.
2. $7,758,900 to develop a business one-stop web portal.
3. $3,000,000 to develop a K-12 school financial transparency reporting portal.

B. The sum of $614,100 is appropriated from the charter school board subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to replace the charter school board online platform.

C. The sum of $9,000,000 is appropriated from the department of economic security subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to update the child care management system at the department of economic security.

D. The sum of $7,200,000 is appropriated from the department of education subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to replace the school finance data system at the department of education. The amount appropriated for the school finance system replacement includes $1,200,000 for the department of administration to engage consultants that provide project management to the department of education regarding replacing the school finance data system. This includes, at minimum, support in technical documentation, financial tracking and documentation and program management and governance.

E. The sum of $850,000 is appropriated from the department of gaming subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to develop an e-licensing solution for tribal gaming certification at the department of gaming.

F. The sum of $1,067,700 is appropriated from the industrial commission of Arizona subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to modernize and
replace information technology systems at the industrial commission of Arizona.

G. The sum of $20,000 is appropriated from the state board of psychologist examiners subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to modify the e-licensing system at the state board of psychologist examiners.

H. The sum of $550,000 is appropriated from the department of public safety subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration to update the concealed weapons tracking system at the department of public safety.

Quarterly Reports

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

Nonlapsing

J. Except for the amount appropriated to the department of administration for the K-12 school financial transparency reporting portal AND THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA SYSTEM, the amounts appropriated pursuant to this section from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2023. THE AMOUNT APPROPRIATED IN FISCAL YEAR 2021-2022 TO THE DEPARTMENT OF ADMINISTRATION FOR THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA SYSTEM IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30, 2024. The amount appropriated in fiscal year 2021-2022 to the department of administration for the K-12 school financial transparency reporting portal is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2025.

Exemption

K. Notwithstanding section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022, with the exception of appropriations made for the department of administration business one-stop web portal, the department of economic security child care management system and the department of education school finance data system, the appropriations made in this section do not require review from the joint legislative budget committee pursuant to section 41-714, Arizona Revised Statutes.
Sec. 2. Subject to applicable laws, the sums or sources of revenue set forth in this act are appropriated for the fiscal years indicated and only from the funding sources listed for the purposes and objects specified. If monies from funding sources in this act are unavailable, no other funding source may be used.

Sec. 3. ARIZONA STATE BOARD OF ACCOUNTANCY

2022-23
FTE positions 14.0
Lump sum appropriation $ 2,051,800
Fund sources:
Board of accountancy fund $ 2,051,800

Sec. 4. ACUPUNCTURE BOARD OF EXAMINERS

2022-23
FTE positions 1.0
Lump sum appropriation $ 182,300
Fund sources:
Acupuncture board of examiners fund $ 182,300

Sec. 5. DEPARTMENT OF ADMINISTRATION

2022-23
FTE positions 539.1
Operating lump sum appropriation $ 87,507,900
Utilities 7,649,900
Arizona financial information system 12,923,800
Risk management administrative expenses 8,597,800
Risk management losses and premiums 48,396,100
Workers' compensation losses and premiums 28,253,000
Cyber risk insurance 21,587,200
Information technology project management and oversight 1,504,400
State surplus property sales agency proceeds 1,810,000
Southwest defense contracts 25,000
Election security grants 1,500,000
Health care interoperability grants 12,000,000
School safety interoperability fund deposit 20,000,000
Fire incident management system grants 6,100,000*
K-12 transportation grants 20,000,000
Government transformation office 2,016,900
Total appropriation — department of administration $279,872,000

Fund sources:
State general fund $ 67,955,000
Air quality fund 928,200
Arizona financial information
system collections fund 12,923,800
Automation operations fund 31,127,700
Capital outlay stabilization fund 18,395,100
Corrections fund 575,000
Cyber risk insurance fund 21,587,200
Federal surplus materials revolving fund 466,900
Information technology fund 2,101,200
Personnel division fund 12,764,900
Risk management revolving fund 93,099,400
Special employee health insurance trust fund 5,533,200
Special services revolving fund 1,170,700
State surplus materials revolving fund 2,979,800
State web portal fund 6,612,200
Telecommunications fund 1,651,700

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

The appropriation from the automation operations fund established by section 41-711, Arizona Revised Statutes, is an estimate representing all monies, including balance forward, revenues and transfers during fiscal year 2022-2023. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation is adjusted as necessary to reflect monies credited to the automation operations fund for automation operation center projects. Before spending any automation operations fund monies in excess of $31,127,700 in fiscal year 2022-2023, the department shall report the intended use of the monies to the joint legislative budget committee.

On or before September 1, 2023, the department shall submit a report to the joint legislative budget committee on the results of pilot projects implemented in fiscal year 2022-2023 for the state employee public transportation service reimbursements pursuant to section 41-710.01, Arizona Revised Statutes, in a vehicle emissions control area as defined...
in section 49-541, Arizona Revised Statutes, of a county with a population
of more than four hundred thousand persons.

All state surplus materials revolving fund monies received by the
department of administration in excess of $2,979,800 in fiscal year
2022-2023 are appropriated to the department. Before spending state
surplus materials revolving fund monies in excess of $2,979,800 in fiscal
year 2022-2023, the department shall report the intended use of the monies
to the joint legislative budget committee.

Of the amount appropriated for the Arizona financial information
system line item in fiscal year 2022-2023, $3,500,000 is exempt from the
provisions of section 35-190, Arizona Revised Statutes, relating to
lapsing of appropriations, until June 30, 2024.

The appropriated amount for health care interoperability grants is
exempt from the provisions of section 35-190, Arizona Revised Statutes,
relating to lapsing of appropriations, until June 30, 2025.

The amount appropriated for deposit in to the school safety
interoperability fund established by section 41-1733, Arizona Revised
Statutes, shall be distributed as follows:

1. Maricopa county sheriff $3,050,000
2. Tucson police department $2,000,000
3. Pinal county sheriff $1,800,000
4. Yavapai county sheriff $1,800,000
5. Cochise county sheriff $1,500,000
6. Navajo county sheriff $1,250,000
7. City of Yuma police department $1,350,000
8. Mohave county sheriff $1,250,000
9. Coconino county sheriff $1,250,000
10. Apache county sheriff $1,000,000
11. Gila county sheriff $1,000,000
12. Santa Cruz county sheriff $  750,000
13. Graham county sheriff $  750,000
14. La Paz county sheriff $  750,000
15. Greenlee county sheriff $  500,000

Of the amount appropriated to the election security grants line
item, the department shall distribute:

1. A total of $1,000,000 to one or more county recorders to test
ballot paper in tabulation systems with specific security features,
including watermarks or unique ballot identifiers, or both. The security
features shall be used to authenticate the ballot as an official ballot,
but may not make the ballot identifiable to a particular elector. The
testing shall allow for different sized ballots. Not later than May 1,
2023, the department shall compile a report from the selected counties on
recommended ballot security features and submit the report to the
president of the senate, speaker of the house of representatives and
secretary of state.
2. A total of $500,000 to procure, install and maintain photo and video surveillance twenty-four hours per day, seven days per week for secure ballot boxes as follows:
   (a) Six ballot boxes in Cochise county.
   (b) Seven ballot boxes in Yuma county.
   (c) Three ballot boxes in Pinal county.

The department shall assist the counties with the procurement of the drop boxes required by this section. In addition to surveillance requirements, the ballot drop boxes shall only accept one ballot at a time, log receipt of each ballot, generate a paper receipt specifying the number of ballots accepted from a person and reject ballots if the camera or video recorder is nonoperational.

The monies in the fire incident management system grants line item shall be used to provide grants to municipal fire departments and fire districts for hardware and software that:

1. Enables the statewide deployment of a secure incident management platform to fire and law enforcement agencies.
2. Provides a standardized incident command and management platform based on federal emergency management agency standards that enable diverse incident management and support entities to work together and to ensure the following:
   (a) A clearly defined chain of command.
   (b) The use of common terminology.
   (c) The safety of first responders and others.
   (d) The achievement of response objectives.
   (e) The efficient use of resources.
3. Provides a collaboration and communications solution that does the following:
   (a) Identifies the location, status and assignment of assigned resources.
   (b) Allows status updates, tracking and management of an incident.
   (c) Allows secure messaging and file sharing to all users involved in an incident.
   (d) Allows the sharing of collaborative maps, building floor plans and images between public safety agencies.
   (e) Allows collaboration and information sharing between disparate agencies during a mass casualty incident.
   (f) Defines a federal emergency management agency or national incident management systems based organizational structure for the management of incidents.
   (g) Provides the ability to print standard integrated computer solutions forms for tracking and cost reimbursement.
   (h) Provides enhanced telemetry-based firefighter safety monitoring.
(i) Works in areas without internet access in a disconnected mode.
(j) Provides a seamless and connected platform for notification, response and rostering.

Each municipality or fire district in this state may submit a grant request to the department for the cost of the secure incident management system as described in this section.

The amount appropriated for the enduring freedom memorial repair in fiscal year 2021-2022 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023.

Sec. 6. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

<table>
<thead>
<tr>
<th>FTE positions</th>
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<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$1,717,400</td>
</tr>
<tr>
<td>New school facilities debt service</td>
<td>$9,938,100</td>
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<tr>
<td>Building renewal grants deposit</td>
<td>$199,967,900</td>
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<tr>
<td>New school facilities</td>
<td>$48,253,900</td>
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<tr>
<td>Kirkland site conditions</td>
<td>$400,000</td>
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<tr>
<td>Total appropriation — department of administration, division of school facilities</td>
<td>$260,277,300</td>
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</table>

Fund sources:
- State general fund $260,277,300

Pursuant to section 35-142.01, Arizona Revised Statutes, any reimbursement received by or allocated to the division of school facilities under the federal qualified school construction bond program in fiscal year 2022-2023 shall be deposited in or revert to the state general fund.

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

Pursuant to section 41-5741, Arizona Revised Statutes, the amount appropriated for new school facilities shall be used only for facilities and land costs for school districts that received final approval from the division of school facilities on or before December 15, 2021.

Sec. 7. OFFICE OF ADMINISTRATIVE HEARINGS

<table>
<thead>
<tr>
<th>FTE positions</th>
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<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$891,800</td>
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</table>

Fund sources:
- State general fund $891,800
Sec. 8. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS

2022-23

FTE positions 3.0
Lump sum appropriation $ 128,800

Fund sources:
State general fund $ 128,800

Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE

2022-23

FTE positions 209.9
Operating lump sum appropriation $ 13,629,800
Agricultural employment relations board 23,300
Animal damage control 65,000
Livestock operator assistance program deposit 10,000,000
Red imported fire ant control 23,200
Agricultural consulting and training 128,500

Total appropriation — Arizona department of agriculture $ 23,869,800

Fund sources:
State general fund $ 22,415,700
Air quality fund 1,454,100

The appropriation made to the department of agriculture in Laws 2021, chapter 408, section 8 for information technology improvements is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2023.

Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

2022-23

FTE positions 2,348.3
Operating lump sum appropriation $ 123,008,100

Administration
AHCCCS data storage 19,325,800
DES eligibility 97,074,500
Proposition 204 — AHCCCS administration 13,906,200
Proposition 204 — DES eligibility 44,358,700

Medicaid services
Traditional medicaid services 7,303,608,100
Proposition 204 services 6,390,896,200
Adult expansion services 804,705,200
Comprehensive medical and dental program 244,906,300
KidsCare services 152,682,100
| 1    | ALTCS services                             | 2,576,091,400 |
| 2    | Behavioral health services                 |               |
| 3    | in schools                                 | 9,891,200     |
| 4    | **Nonmedicaid behavioral health services** |               |
| 5    | Crisis services                            | 16,391,300    |
| 6    | Nonmedicaid seriously mentally ill services | 77,646,900    |
| 7    | Supported housing                          | 65,324,800    |
| 8    | Secure behavioral health residential       | 25,000,000    |
| 9    | **Hospital payments**                      |               |
| 10   | Disproportionate share payments            | 5,087,100     |
| 11   | Disproportionate share payments — voluntary match | 37,425,900 |
| 12   | Rural hospitals                            | 28,612,400    |
| 13   | Graduate medical education                 | 393,232,100   |
| 14   | Targeted investments program               | 50,000,000    |
| 15   | **Total appropriation and expenditure**    |               |
| 16   | authority — Arizona health care cost       | $18,479,174,300|
| 17   | containment system                        |               |
| 18   | **Fund sources:**                          |               |
| 19   | State general fund                         | $2,317,106,000|
| 20   | Budget neutrality compliance fund          | 4,303,100     |
| 21   | Children's health insurance program fund   | 123,476,900   |
| 22   | Prescription drug rebate fund — state      | 165,158,600   |
| 23   | Seriously mentally ill housing trust fund  | 200,000       |
| 24   | Substance abuse services fund              | 2,250,200     |
| 25   | Tobacco products tax fund — emergency health services account | 17,448,300 |
| 26   | Tobacco tax and health care fund — medically needy account | 67,179,700 |
| 27   | Expenditure authority                      | 15,782,051,500|

**Operating budget**

The amount appropriated for the DES eligibility line item shall be used for intergovernmental agreements with the department of economic security for eligibility determination and other functions. The state general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.
The amounts included in the proposition 204 — AHCCCS administration, proposition 204 — DES eligibility and proposition 204 services line items include all available sources of funding consistent with section 36-2901.01, subsection B, Arizona Revised Statutes. Before spending the monies for the replacement of the prepaid medicaid management information system, the Arizona strategic enterprise technology office shall submit, on behalf of the Arizona health care cost containment system, an expenditure plan for review by the joint legislative budget committee. The report shall include the project cost, deliverables, the timeline for completion and the method of procurement that are consistent with the department's prior reports for its appropriations from the automation projects fund.

Medical services and behavioral health services

Before making fee-for-service program or rate changes that pertain to fee-for-service rate categories, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee. The Arizona health care cost containment system administration shall report to the joint legislative budget committee on or before March 1, 2023 on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum may not be more than two percent. Before implementing any changes in capitation rates, the administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any change in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal impact analysis demonstrates that this change will result in additional state costs of $1,000,000 or more for any fiscal year, the administration shall submit the policy change for review by the joint legislative budget committee.

The legislature intends that the percentage attributable to administration and profit for the regional behavioral health authorities be nine percent of the overall capitation rate. The expenditure authority amount includes an increase of $400,000,000 from the health care investment fund for additional directed payments to hospitals.

It is the intent of the legislature that the Arizona health care cost containment system administration allocate $7,500,000 from the state general fund and $25,191,300 from expenditure authority for a 2.5 percent increase to the outpatient behavioral health fee schedule. On or before October 1, 2022, the administration shall report to the joint legislative
budget committee on the actual distribution of rate increases by its contracted health plans.

The Arizona health care cost containment system administration shall transfer up to $1,200,000 from the traditional medicaid services line item for fiscal year 2022-2023 to the attorney general for costs associated with e-cigarette enforcement and tobacco settlement litigation.

The Arizona health care cost containment system administration shall transfer $836,000 from the traditional medicaid services line item for fiscal year 2022-2023 to the department of revenue for enforcement costs associated with the March 13, 2013 master settlement agreement with tobacco companies.

The amount appropriated for the traditional medicaid services line item includes $8,900,000 for services to eligible women who are less than one year postpartum. This appropriation may not be spent unless on or before July 1, 2023 the centers for medicare and medicaid services authorizes the Arizona health care cost containment system administration to either redetermine the eligibility of members who are less than one year postpartum and are under one hundred thirty-three percent of the federal poverty level or use another methodology that enables the administration to provide coverage for eligible postpartum women.

The amount appropriated for the traditional medicaid services line item includes monies to increase a differential adjustment payment by $1,250 for twenty-four-bed pediatric skilled nursing facilities offering skilled nursing services in place of intensive care services. This increased payment is contingent on approval from the centers for medicare and medicaid services before implementation.

The amount appropriated for the traditional medicaid services line item includes $10,000,000 from the state general fund and $22,851,500 from expenditure authority to increase physician fee schedule rates associated with the Arizona health care cost containment system global obstetrical package, including current procedural technology codes 59400, 59510, 59610 and 59618, by eighty-eight percent.

The amount appropriated for the ALTCS services line item includes $237,200,000 from expenditure authority to implement the American rescue plan act of 2021 (P.L. 117-2) home and community-based services spending plan in fiscal year 2022-2023. The administration may not use these monies for marketing purposes, and any direct payments or grants provided with the monies shall include a notification to the recipient that the monies are onetime funding. Beginning on or before July 31, 2022, the administration shall provide quarterly reports to the joint legislative budget committee at the same time that the information is provided to the centers for medicare and medicaid services, reflecting any changes to the administration's spending plan. Of the amount appropriated for the ALTCS services line item, $237,200,000 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.
On or before June 30, 2023, the Arizona health care cost containment system administration shall report to the joint legislative budget committee on the progress in implementing the Arnold v. Sarn lawsuit settlement. The report shall include, at a minimum, the administration's progress toward meeting all criteria specified in the 2014 joint stipulation, including the development and estimated cost of additional behavioral health service capacity in Maricopa county for supported housing services for 1,200 class members, supported employment services for 750 class members, eight assertive community treatment teams and consumer operated services for 1,500 class members. The administration shall also report by fund source the amounts it plans to use to pay for expanded services.

On or before September 30, 2023, the Arizona health care cost containment system administration shall report to the joint legislative budget committee on its progress in implementing services specified in the housing and health opportunities section 1115 waiver amendment. The report shall include, at a minimum, the types of services provided for eligible AHCCCS members, expenditures by service category, the number of members receiving services by eligibility category, the number of members waitlisted for housing services and progress toward achieving program outcomes, including changes in hospital utilization rates and utilization of primary care and preventive health services.

The appropriated amount for the supported housing line item includes $60,000,000 of federal medicaid expenditure authority. If the administration's housing and health opportunities section 1115 waiver amendment is denied federal approval, the amount of $60,000,000 of federal medicaid expenditure authority is reduced from the supported housing line item appropriation.

The monies appropriated for secure behavioral health residential facilities shall support five secure behavioral health residential facilities licensed by the department of health services pursuant to section 36-425.06, Arizona Revised Statutes, to provide secure on-site supportive treatment to persons determined to be seriously mentally ill, who are chronically resistant to treatment and who are placed in the facility pursuant to a court order. Three facilities shall be located in the central geographic service area, one facility shall be located in the north geographic service area and one facility shall be located in the south geographic service area. The administration shall allocate up to $5,000,000 for each recipient facility, prioritizing facilities that can open within twelve months after the effective date of this act.

Long-term care

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

Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the county portion of the fiscal year 2022-2023 nonfederal costs of providing long-term care system services is $352,697,700. This amount is included in the expenditure authority fund source.

Any supplemental payments received in excess of $107,449,200 for nursing facilities that serve Arizona long-term care system Medicaid patients in fiscal year 2022-2023, including any federal matching monies, by the Arizona health care cost containment system administration are appropriated to the administration in fiscal year 2022-2023. Before spending these increased monies, the administration shall notify the joint legislative budget committee and the governor’s office of strategic planning and budgeting of the amount of monies that will be spent under this provision. These payments are included in the expenditure authority fund source.

This appropriation includes $24,200,000 from the state general fund, $19,364,100 from county funds and $100,081,500 from expenditure authority for an eleven percent increase to provider rates for both home and community-based services and skilled nursing facilities.

Payments to hospitals

The $5,087,100 appropriation for disproportionate share payments for fiscal year 2022-2023 made pursuant to section 36-2903.01, subsection O, Arizona Revised Statutes, includes $4,202,300 for the Maricopa county health care district and $884,800 for private qualifying disproportionate share hospitals.

Any monies received for disproportionate share hospital payments from political subdivisions of this state, tribal governments and any university under the jurisdiction of the Arizona board of regents, and any federal monies used to match those payments, in fiscal year 2022-2023 by the Arizona health care cost containment system administration in excess of $37,425,900 are appropriated to the administration in fiscal year 2022-2023. Before spending these increased monies, the administration shall notify the joint legislative budget committee and the governor’s office of strategic planning and budgeting of the amount of monies that will be spent under this provision.

The expenditure authority fund source includes voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program or treat low-income patients and for payments to qualifying providers affiliated with teaching hospitals. The political subdivision portions of the fiscal year 2022-2023 costs of graduate medical education, disproportionate share payments—voluntary match, traditional Medicaid services, Proposition 204 services and adult expansion services line items are included in the expenditure authority fund source.
Any monies for graduate medical education received in fiscal year 2022-2023, including any federal matching monies, by the Arizona health care cost containment system administration in excess of $393,232,100 are appropriated to the administration in fiscal year 2022-2023. Before spending these increased monies, the administration shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of monies that will be spent under this provision.

Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes $5,000,000 from the state general fund and $13,549,300 from expenditure authority for the direct and indirect costs of graduate medical education programs located in counties with a population of less than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program. The administration shall prioritize distribution to programs at hospitals in counties with a higher percentage of persons residing in a health professional shortage area as defined in 42 Code of Federal Regulations part 5.

Notwithstanding section 36-2903.01, subsection G, paragraph 9, subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for graduate medical education includes $4,000,000 from the state general fund and $10,875,400 from expenditure authority for the direct and indirect costs of graduate medical education programs located in counties with a population of more than five hundred thousand persons. The state general fund amount may supplement, but not supplant, voluntary payments made from political subdivisions for payments to hospitals that operate a graduate medical education program.

Monies appropriated for graduate medical education in this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2024.

On or before July 1, 2023, the Arizona health care cost containment system administration shall report to the director of the joint legislative budget committee the total amount of medicaid reconciliation payments and penalties received on or before that date since July 1, 2022.

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

Sec. 11. ARIZONA COMMISSION ON THE ARTS

Arizona arts trust fund deposit $ 5,000,000

Fund sources:

State general fund $ 5,000,000
### Section 12. Board of Athletic Training

- **2022-23**
- **FTE positions**: 1.5
- **Lump sum appropriation**: $143,700

**Fund Sources:**
- Athletic training fund: $143,700

### Section 13. Attorney General — Department of Law

- **2022-23**
- **FTE positions**: 655.7
- **Operating lump sum appropriation**: $57,056,100
- **Capital postconviction prosecution**: $802,200
- **Child and family advocacy centers**: $600,000
- **Colorado City radio dispatch system**: $400,000
- **Criminal division major fraud unit**: $1,139,000
- **Internet crimes against children enforcement**: $1,250,000
- **Employee stipend/retention bonus**: $3,000,000
- **Expert witness and outside counsel**: $2,000,000
- **Federalism unit**: $1,236,000
- **Government accountability and special litigation**: $1,235,200
- **Opioid abatement**: $5,000,000
- **Organized retail theft task force**: $1,500,000
- **Risk management interagency service agreement**: $9,617,300
- **State grand jury**: $180,500
- **Southern Arizona law enforcement**: $1,527,500
- **Tobacco enforcement**: $829,800
- **Victims' rights**: $3,967,200
- **Voter fraud unit**: $525,400

**Total Appropriation — Attorney General — Department of Law**: $91,866,200

**Fund Sources:**
- State general fund: $24,853,200
- Antitrust enforcement revolving fund: $148,700
- Attorney general legal services cost allocation fund: $2,110,300
- Collection enforcement revolving fund: $6,925,700
- Consumer protection-consumer fraud revolving fund: $19,463,100
Consumer restitution and remediation revolving fund — consumer remediation subaccount 5,000,000
Interagency service agreements fund 16,474,900
Internet crimes against children enforcement fund 900,000
Risk management revolving fund 12,221,500
Victims' rights fund 3,768,800

All monies appropriated to the attorney general legal services line item in the department of child safety budget do not count toward the attorney general's interagency service agreements fund appropriation in fiscal year 2022-2023.

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

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

The $900,000 appropriation from the internet crimes against children enforcement fund established by section 41-199, Arizona Revised Statutes, and the $350,000 appropriation from the state general fund for the internet crimes against children enforcement line item are continuing appropriations and are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2024.

The $1,500,000 appropriation for the organized retail theft task force line item shall be used for operational expenses of the organized retail task force and for hiring one attorney, one paralegal, two investigators and one support staff person within the office of the attorney general and four peace officers who are assigned to the task force to focus specifically on investigating and prosecuting organized retail crime.

Of the amount appropriated for the attorney general operating lump sum in fiscal year 2021-2022, $500,000 from the risk management revolving fund is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023 for the purpose of legal costs associated with the pursuit of criminal prosecutions and for defense in civil cases regarding elections.

Sec. 14. BARBERING AND COSMETOLOGY BOARD

| FTE positions | 29.5 |
| Lump sum appropriation | $ 2,662,800 |

Fund sources:
- Barbering and cosmetology fund $ 2,662,800
1. **Sec. 15. BOARD OF BEHAVIORAL HEALTH EXAMINERS**
   
   **2022-23**
   
   - FTE positions: 20.0
   - Lump sum appropriation: $2,008,100
   
   **Fund sources:**
   - Board of behavioral health examiners fund: $2,008,100

2. **Sec. 16. STATE BOARD FOR CHARTER SCHOOLS**
   
   **2022-23**
   
   - FTE positions: 25.0
   - Lump sum appropriation: $3,176,000
   
   **Fund sources:**
   - State general fund: $3,176,000

3. **Sec. 17. DEPARTMENT OF CHILD SAFETY**
   
   **2022-23**
   
   - FTE positions: 3,203.1
   - Operating lump sum appropriation: $126,172,600
   
   **Additional operating resources**
   - Attorney general legal services: $25,522,800
   - Caseworkers: $111,900,500
   - General counsel: $157,000
   - Inspections bureau: $2,514,800
   - New case aides: $3,232,200
   - Office of child welfare investigations: $9,699,400
   - Records retention staff: $589,900
   - Training resources: $9,150,000

   **Out-of-home placements**
   - Congregate group care: $125,847,200
   - Extended foster care: $17,037,200
   - Foster home placement: $51,929,500
   - Foster home recruitment, study and supervision: $32,753,600
   - Kinship care: $5,000,000

   **Permanent placements**
   - Adoption services: $278,258,500
   - Permanent guardianship subsidy: $12,516,900

   **Support services**
   - DCS child care subsidy: $61,675,400
   - In-home mitigation: $28,988,100
   - Out-of-home support services: $122,710,800
   - Preventive services: $25,148,300

   **Comprehensive health plan**
   - Comprehensive health plan services: $201,703,700
Comprehensive health plan administration $29,862,500
Comprehensive health plan premium tax $4,550,900
Total appropriation and expenditure authority — department of child safety $1,286,921,800

Fund sources:
State general fund $440,112,800
Federal child care and development fund block grant $40,516,000
Federal temporary assistance for needy families block grant $157,468,100
Child abuse prevention fund $1,459,300
Children and family services training program fund $207,900
Child safety expenditure authority $410,098,700
Child welfare licensing fee fund $941,900
Comprehensive health plan expenditure authority fund — expenditure authority $236,117,100

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

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

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

Out-of-home placements
The department of child safety may transfer up to ten percent of the total amount of federal temporary assistance for needy families block grant monies appropriated to the department of economic security and the department of child safety to the social services block grant. Before transferring federal temporary assistance for needy families block grant monies to the social services block grant, the department of child safety shall report the proposed amount of the transfer to the director of the joint legislative budget committee. This report may be in the form of an expenditure plan that is submitted at the beginning of the fiscal year and updated, if necessary, throughout the fiscal year.
The amount appropriated for kinship care shall be used for a stipend of $300 per month for a relative caretaker, including a grandparent, any level of great-grandparent or any nongrandparent relative, or a caretaker of fictive kinship, if a dependent child is placed in the care of a relative caretaker or caretaker of fictive kinship pursuant to department guidelines. The department shall provide the stipend on behalf of all children placed with an unlicensed kinship foster care parent. The unlicensed kinship foster care parent is not required to file an application to receive the stipend. Before changing the eligibility for the program or the amount of the stipend, the department shall submit a report for review by the joint legislative budget committee detailing the proposed changes.

On or before March 31, 2023, the department of child safety shall report to the joint legislative budget committee the number of children who are part of the kinship stipend program and reside with a nonrelative caretaker of fictive kinship.

The congregate group care line item includes an increase of $7,000,000 from the state general fund and $3,920,100 in child safety expenditure authority in fiscal year 2022-2023 for a ten percent increase in the daily rate for children placed in qualified residential treatment programs that are licensed through the department of child safety.

Departmentwide

The amount appropriated for any line item may not be transferred to another line item or to the operating budget unless the transfer is reviewed by the joint legislative budget committee, except that transfers between any two line items relating to the comprehensive health plan are not subject to review.

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

On or before December 1, 2022, the department of child safety shall submit a report to the joint legislative budget committee on the department's efforts to implement the family first prevention services act of 2018. The report shall quantify the department's efforts in at least the following areas, including any associated fiscal impacts:

1. Reducing the number of children placed for more than two weeks in congregate care settings, excluding qualified residential treatment programs, facilities for pregnant and parenting youth, supervised independent living and specialized programs for victims of sex trafficking.
2. Assisting congregate care providers in attaining status as qualified residential treatment programs.
3. Identifying alternative placements, including therapeutic foster homes, for children who would otherwise be placed in congregate care.

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

Benchmarks
For the purposes of this section, "backlog case":
1. Means any nonactive case for which documentation has not been entered in the child welfare automated system for at least sixty days and for which services have not been authorized for at least sixty days and any case that has had an investigation, has been referred to another unit and has had no contact for at least sixty days.
2. Includes any case for which the investigation has been open without any documentation or contact for at least sixty days, any case involving in-home services for which there has been no contact or services authorized for at least sixty days and any case involving foster care in which there has been no contact or any documentation entered in the child welfare automated system for at least sixty days.

For the purposes of this section:
1. "Long-term case" means any case in which the child has been in an out-of-home placement for at least eighteen months.
2. "Open report" means a report that is under investigation or awaiting closure by a supervisor.

On or before February 28, 2023 and August 31, 2023, the department of child safety shall present a report to the joint legislative budget committee on the progress made during July 2022 through December 2022 and January 2023 through June 2023, respectively, in meeting the caseload standard and reducing the number of backlog and long-term cases. Each report shall include the number of backlog cases, the number of open reports, the number of long-term cases and the caseworker workload in comparison to the previous six months. Each report shall provide the number of backlog cases by disposition, including the number of backlog cases in the investigation phase, the number of backlog cases associated with out-of-home placements and the number of backlog cases associated with in-home cases.

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

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

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

For long-term cases, the department's benchmark is the caseload reported for December 2022.

If the department of child safety has not submitted a required report within thirty days after the report is due, the director of the
joint legislative budget committee shall inform the general accounting
office of the department of administration, which shall withhold two
percent of the department of child safety's operating lump sum semiannual
budget allocation until the department of child safety submits the
required report.

Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS

<table>
<thead>
<tr>
<th>2022-23</th>
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</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
- Board of chiropractic examiners fund | $448,100 |

Sec. 19. ARIZONA COMMERCE AUTHORITY

<table>
<thead>
<tr>
<th>2022-23</th>
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<tbody>
<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Arizona competes fund deposit</td>
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<tr>
<td>Asia trade offices</td>
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<tr>
<td>Blockchain/wearable research</td>
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<tr>
<td>Economic development marketing and attraction</td>
</tr>
<tr>
<td>Frankfurt, Germany trade office</td>
</tr>
<tr>
<td>Israel trade office</td>
</tr>
<tr>
<td>Mexico trade offices</td>
</tr>
<tr>
<td>Water infrastructure and commerce grant fund deposit</td>
</tr>
<tr>
<td>Major events fund deposit</td>
</tr>
</tbody>
</table>

Total appropriation — Arizona commerce authority | $46,050,000 |

Fund sources:
- State general fund | $41,050,000 |
- State web portal fund | 5,000,000 |

Pursuant to section 43-409, Arizona Revised Statutes, of the amounts listed above, $15,500,000 of the state general fund withholding tax revenues is allocated in fiscal year 2022-2023 to the Arizona commerce authority, of which $10,000,000 is credited to the Arizona commerce authority fund established by section 41-1506, Arizona Revised Statutes, and $5,500,000 is credited to the Arizona competes fund established by section 41-1545.01, Arizona Revised Statutes.

The authority shall distribute the monies in the blockchain/wearable research line item to applied research centers located in this state that specialize in blockchain technology, wearable technology or a technology discipline approved by the authority to be allocated as follows:
1. $500,000 for distribution to applied research centers that specialize in blockchain technology.
2. $3,000,000 for distribution to applied research centers that specialize in wearable technology, including hardware or software components, or both.

3. $1,500,000 for distribution to applied research centers in a technology discipline that is approved by the authority.

Subject to available funding, the authority shall distribute monies appropriated in the blockchain/wearable research line item to any applied research center in increments of up to $250,000 within thirty days after the applied research center notifies the authority in writing that the applied research center has received a matching amount from sources other than this state. Monies that have been previously appropriated to the authority for potential distribution to an applied research center that specializes in blockchain technology that have not been distributed may be distributed to an applied research center that specializes in wearable technology, including hardware or software components, or both, or in a technology discipline approved by the Arizona commerce authority if the application for such distribution is in compliance with this section.

An applied research center that receives a distribution pursuant to this section must collaborate with universities, nonprofit business associations, health science research centers, institutes or other technology businesses that do business in this state. On or before September 15, 2026, the applied research center or institute shall return to the authority all monies received by the applied research center or institute pursuant to this section that remain unexpended and unencumbered on September 1, 2026. The authority shall deposit the returned monies in the state web portal fund established by section 18-421, Arizona Revised Statutes. The authority shall notify the president of the senate and the speaker of the house of representatives on or before July 1, 2023 and July 1, 2024 if the authority has not distributed any monies pursuant to this section.

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

For the purposes of this section, the authority is exempt from the requirements of title 41, chapter 23, Arizona Revised Statutes.

The appropriation made in the blockchain/wearable research line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that any amounts that remain unexpended and unencumbered on June 30, 2026 revert to the state web portal fund.

The $7,500,000 appropriated in the major events fund deposit line item pursuant to laws 2021, chapter 408, section 17 is exempt from the
provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023.

Sec. 20. ARIZONA COMMUNITY COLLEGES

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<tr>
<th>Equalization aid</th>
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<tbody>
<tr>
<td>Cochise</td>
<td>$8,771,400</td>
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<td>Navajo</td>
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<td>Yuma/La Paz</td>
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<td>Total — equalization aid</td>
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<tr>
<th>Operating state aid</th>
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<td>Gila</td>
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<td>Graham</td>
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<tr>
<td>Mohave</td>
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<td>Navajo</td>
<td>1,933,400</td>
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<tr>
<td>Pinal</td>
<td>818,200</td>
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<tr>
<td>Yavapai</td>
<td>300,400</td>
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<tr>
<td>Yuma/La Paz</td>
<td>1,898,200</td>
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<td>Total — operating state aid</td>
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<th>STEM and workforce programs state aid</th>
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<td>Cochise</td>
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<td>Coconino</td>
<td>293,800</td>
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<td>Gila</td>
<td>91,900</td>
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<td>Maricopa</td>
<td>8,584,900</td>
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<td>Mohave</td>
<td>373,800</td>
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<td>Pima</td>
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<td>Pinal</td>
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<td>Santa Cruz</td>
<td>21,800</td>
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<td>Yavapai</td>
<td>611,100</td>
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<tr>
<td>Yuma/La Paz</td>
<td>877,500</td>
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<td>Total — STEM and workforce programs state aid</td>
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<table>
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<tr>
<th>Rural aid</th>
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<tr>
<td>Cochise</td>
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<td>Pinal</td>
<td>2,476,600</td>
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<tr>
<td>Santa Cruz</td>
<td>97,800</td>
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</table>
H.B. 2862

Yavapai 2,782,200
Yuma/La Paz 3,957,500

Total — rural aid $ 21,000,000
Rural county reimbursement subsidy $ 1,082,900
Additional Gila workforce development aid 200,000
Diné college remedial education 1,000,000
Cochise first responders academy 6,250,000

Total appropriation — Arizona community colleges $ 95,184,600

Fund sources:
State general fund $ 95,184,600

Of the $1,082,900 appropriated to the rural county reimbursement subsidy line item, Apache county receives $699,300 and Greenlee county receives $383,600.

On or before October 15, 2023, the Diné college board of regents shall submit to the governor, the speaker of the house of representatives, the president of the senate, the secretary of state and the joint legislative budget committee a report that details the course completion rate for students who received remedial education during the 2022-2023 academic year.

The amount appropriated for the Cochise first responders academy line item shall be distributed to Cochise community college to build an indoor shooting range and burn tower for the first responders academy.

Sec. 21. REGISTRAR OF CONTRACTORS

2022-23

FTE positions 105.6
Operating lump sum appropriation $ 11,572,700
Office of administrative hearings costs 1,017,600

Total appropriation — registrar of contractors $ 12,590,300

Fund sources:
Registrar of contractors fund $ 12,590,300

Sec. 22. CORPORATION COMMISSION

2022-23

FTE positions 301.9
Operating lump sum appropriation $ 27,254,100
Corporation filings, same-day service 408,400
Utilities audits, studies, investigations and hearings 380,000*

Total appropriation — corporation commission $ 28,042,500
Fund sources:

State general fund $ 715,900
Arizona arts trust fund 51,200
Investment management regulatory and enforcement fund 721,600
Public access fund 6,799,400
Securities regulatory and enforcement fund 5,135,300
Utility regulation revolving fund 14,619,100

Sec. 23. STATE DEPARTMENT OF CORRECTIONS 2022-23

FTE positions 9,569.0
Operating lump sum appropriation $ 857,529,400
Private prison per diem 237,554,100
Community corrections 23,684,000
Community treatment program
  For imprisoned women 2,000,000*
Inmate health care contracted services 269,681,300
Substance abuse treatment 6,100,700
Onetime vehicle purchase 9,048,400

Total appropriation — state department of corrections $1,405,597,900

Fund sources:

State general fund $1,347,400,900
State education fund for correctional education 743,300
Alcohol abuse treatment fund 555,700
Penitentiary land fund 2,790,700
State charitable, penal and reformatory institutions land fund 2,663,700
Corrections fund 30,967,700
Transition program fund 2,400,200
Prison construction and operations fund 12,500,000
Inmate store proceeds fund 5,575,700

Of the amount appropriated in the operating lump sum, $421,203,300 is designated for personal services and $268,815,300 is designated for employee-related expenditures. The department shall submit an expenditure plan to the joint legislative budget committee for review before spending these monies other than for personal services or employee-related expenditures, except that until January 1, 2023, if the department makes a transfer between two line items to maximize the use of federal monies, the
department shall submit an expenditure plan that is not subject to review before spending those monies.

After the department submits an expenditure plan to the joint legislative budget committee, the department may transfer personal services and employee-related expenditures savings from the operating budget to the private prison per diem line item for private prison staff stipends. The amount of any private prison staff stipend may not exceed the amount given to department staff. The expenditure plan is not subject to review by the joint legislative budget committee.

The private prison per diem line item includes an increase of $17,505,300 from the state general fund in fiscal year 2022-2023 for a twenty percent salary increase for correctional officers and all other staff beginning from and after July 8, 2022.

Private prison vendors who contract with this state may use staff vacancy savings to pay for overtime costs without incurring a penalty or staffing offset.

The amount appropriated in the onetime vehicle purchase line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2024.

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

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

On or before November 1, 2022, the state department of corrections shall provide a report on bed capacity to the joint legislative budget committee. The report shall reflect the bed capacity for each security classification by gender at each state-run and private institution, divided by rated and total beds. The report shall include bed capacity data for June 30, 2021 and June 30, 2022 and the projected capacity for June 30, 2023, as well as the reasons for any change within that time period. Within the total bed count, the department shall provide the
number of temporary and special use beds. The report shall also address the department's rationale for eliminating any permanent beds rather than reducing the level of temporary beds. The report shall also include any plans to vacate beds but not permanently remove the beds from the bed count.

If the department develops a plan to open or close 100 or more state-operated or private prison rated beds, the department shall submit a plan detailing the proposed bed changes for review by the joint legislative budget committee before implementing these changes.

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

On or before December 15, 2022 and July 15, 2023, the state department of corrections shall submit a report to the joint legislative budget committee on the progress made in meeting the staffing needs for correctional officers. Each report shall include the number of filled correctional officer positions, the number of vacant correctional officer positions, the number of people in training, the number of separations and the number of hours of overtime worked year-to-date. The report shall detail these amounts both departmentwide and by prison complex.

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

Before spending any state education fund for correctional education monies in excess of $743,300, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

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

On or before August 1, 2022 and February 1, 2023, the state department of corrections shall submit a report to the joint legislative budget committee on the status of all inmate health care performance measures that are tracked by the department for contract monitoring purposes. Each report must include:

1. The total number of performance measures, by facility, for which the department is not in substantial compliance.
2. An explanation for each instance of noncompliance.
3. The department's plan to comply with the performance measures.

On or before August 1, 2022, the state department of corrections shall transfer to the public safety personnel retirement system via the
The department shall report actual fiscal year 2021-2022, estimated fiscal year 2022-2023 and requested fiscal year 2023-2024 expenditures as delineated in the prior year when the department submits its fiscal year 2023-2024 budget estimate pursuant to section 35-113, Arizona Revised Statutes.

Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

| FTE positions | 11.0 |
| Operating lump sum appropriation | $1,276,300 |
| Major incident regional law enforcement task force | $600,000 |
| Rural county diversion programs | $10,000,000 |
| State aid to county attorneys | $973,700 |
| State aid to indigent defense | $700,000 |
| State aid for juvenile dependency proceedings fund deposit | $2,000,000 |
| Victim compensation and assistance | $6,224,600 |

Total appropriation — Arizona criminal justice commission $21,774,600

Fund sources:

| State general fund | $14,600,000 |
| Criminal justice enhancement fund | $658,800 |
| Resource center fund | $617,500 |
| State aid to county attorneys fund | $973,700 |
| State aid to indigent defense fund | $700,000 |
| Victim compensation and assistance fund | $4,224,600 |

All victim compensation and assistance fund monies received by the Arizona criminal justice commission in excess of $4,224,600 in fiscal year 2022-2023 are appropriated to the crime victims program. Before spending any victim compensation and assistance fund monies in excess of $4,224,600 in fiscal year 2022-2023, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.

All monies received by the Arizona criminal justice commission in excess of $973,700 in fiscal year 2022-2023 from the state aid to county attorneys fund established by section 11-539, Arizona Revised Statutes, are appropriated to the state aid to county attorneys program. Before spending any state aid to county attorneys fund monies in excess of $973,700 in fiscal year 2022-2023, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.
The amount appropriated in the rural county diversion programs line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. The monies shall be distributed as grants to county attorney offices in counties with a population of less than nine hundred thousand persons according to the 2020 United States decennial census for the purpose of establishing and operating alternative prosecution and diversion programs that are based on evidence-based practices pertaining to diversion from prosecution and alternatives to prosecution. The commission shall adopt criteria for distributing grants to eligible counties. The monies may not be used to supplant existing monies for alternative prosecution and diversion programs. On or before September 30, 2023, the commission shall submit a report to the joint legislative budget committee on the use of the monies and the outcomes obtained by the alternative prosecution and diversion programs in the previous fiscal year.

Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

FTE positions 562.2
Administration/statewide $ 7,617,700
Phoenix day school for the deaf 11,354,800
Tucson campus 12,652,200
Preschool/outreach programs 6,323,400
School bus/agency vehicle replacement 369,000
Cooperative services 18,108,600

Total appropriation — Arizona state schools for the deaf and the blind $ 56,425,700

Fund sources:
State general fund $ 24,361,900
Schools for the deaf and the blind fund 13,955,200
Cooperative services fund 18,108,600

Before spending any schools for the deaf and the blind fund monies in excess of $13,955,200 in fiscal year 2022-2023, the Arizona state schools for the deaf and the blind shall report to the joint legislative budget committee the intended use of the monies.

Before spending any cooperative services fund monies in excess of $18,108,600 in fiscal year 2022-2023, the Arizona state schools for the deaf and the blind shall report to the joint legislative budget committee the intended use of the monies.

Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

FTE positions 21.0
Operating lump sum appropriation $ 4,439,900
Support services for the deaf-blind 192,000
Aging individuals research 115,000
American sign language user support 15,000

Total appropriation – commission for the deaf and the hard of hearing $ 4,761,900

Fund sources:
Telecommunication fund for the deaf $ 4,761,900

Sec. 27. STATE BOARD OF DENTAL EXAMINERS

FTE positions 11.0
Lump sum appropriation $ 1,807,400

Fund sources:
Dental board fund $ 1,807,400

Sec. 28. OFFICE OF ECONOMIC OPPORTUNITY

FTE positions 5.0
Lump sum appropriation $ 470,300

Fund sources:
State general fund $ 470,300

Sec. 29. DEPARTMENT OF ECONOMIC SECURITY

FTE positions 4,476.8
Operating lump sum appropriation $175,254,400

Administration
Attorney general legal services 11,222,900

Aging and adult services
Adult services 12,731,900
Community and emergency services 3,724,000
Coordinated homeless services 2,522,600
Domestic violence prevention 14,003,900
Long-term care ombudsman 1,000,000

Benefits and medical eligibility
Temporary assistance for needy families – cash benefits 22,736,400
Coordinated hunger services 2,254,600
Tribal pass-through funding 4,680,300

Child support enforcement
County participation 8,539,700

Developmental disabilities
DDD administration 45,865,500
DDD premium tax payment 52,819,500
Case management – medicaid 89,879,500
### Home and community based services — medicaid
- 2,449,866,900

### Institutional services — medicaid
- 42,344,200

### Physical and behavioral health services — medicaid
- 528,070,000

### Medicare clawback payments
- 5,710,300

### Targeted case management — medicaid
- 12,924,500

### State match transfer from AHCCCS
- 821,118,700

### Case management — state-only
- 6,211,400

### Home and community based services — state-only
- 14,089,000

### Cost effectiveness study — client services
- 8,420,000

### Arizona early intervention program
- 9,719,000

### State-funded long-term care services
- 42,669,300

### Group home monitoring program
- 1,200,000

### Employment and rehabilitation services

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
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<tbody>
<tr>
<td>JOBS</td>
<td>11,005,600</td>
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<tr>
<td>Child care subsidy</td>
<td>187,080,200</td>
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<tr>
<td>Independent living rehabilitation services</td>
<td>1,289,400</td>
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<tr>
<td>Rehabilitation services</td>
<td>7,249,100</td>
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<tr>
<td>Workforce investment act services</td>
<td>55,006,900</td>
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### Total appropriation and expenditure authority — department of economic security
- $4,651,209,700

### Fund sources:

<table>
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<tr>
<th>Fund Source</th>
<th>Amount</th>
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<tr>
<td>State general fund</td>
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<tr>
<td>Federal child care and development fund block grant</td>
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<td>Federal temporary assistance for needy families block grant</td>
<td>65,405,800</td>
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<tr>
<td>Long-term care system fund</td>
<td>33,280,500</td>
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<tr>
<td>Public assistance collections fund</td>
<td>423,700</td>
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<td>Special administration fund</td>
<td>4,512,600</td>
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<tr>
<td>Spinal and head injuries trust fund</td>
<td>2,336,000</td>
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<tr>
<td>Statewide cost allocation plan fund</td>
<td>1,000,000</td>
</tr>
</tbody>
</table>
Child support enforcement administration fund 17,204,700
Domestic violence services fund 4,000,200
Workforce investment act grant 56,069,100
Child support enforcement administration fund expenditure authority 42,495,100
Developmental disabilities medicaid expenditure authority 3,110,706,900
Health care investment fund expenditure authority 54,363,200

Aging and adult services
All domestic violence services fund monies in excess of $4,000,200 received by the department of economic security are appropriated for the domestic violence prevention line item. Before spending these increased monies, the department shall report the intended use of monies in excess of $4,000,200 to the joint legislative budget committee.

On or before December 15, 2022, the department of economic security shall report to the joint legislative budget committee the amount of state and federal monies available statewide for domestic violence prevention funding. The report shall include, at a minimum, the amount of monies available and the state fiscal agent receiving those monies.

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

Child support enforcement
All state shares of retained earnings, fees and federal incentives in excess of $17,204,700 received by the division of child support enforcement are appropriated for operating expenditures. New FTE positions are authorized with the increased funding. Before spending these increased monies, the department of economic security shall report the intended use of the monies to the joint legislative budget committee.

Developmental disabilities
On or before September 1, 2023, the department of economic security shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee any new placement into a state-owned ICF-IID or the Arizona training program at the Coolidge campus in fiscal year 2022-2023 and the reason this placement, rather than a placement into a privately run facility for persons with developmental disabilities, was deemed as the most appropriate placement. The department shall also report if no new placements were made. On or before September 1, 2023, the department shall also report to the director of the joint legislative
budget committee the total costs associated with the Arizona training
program at Coolidge in fiscal year 2022-2023.

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

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

The appropriations in this section include $65,800,000 from the
state general fund and $130,220,800 from expenditure authority for
provider rate increases. This includes $56,700,000 from the state general
fund and $130,220,800 from expenditure authority for a 9.7 percent
increase to provider rates funded in the home and community based services
- medicaid line item, $3,400,000 from the state general fund for the
Arizona early intervention program line item, $500,000 from the state
general fund for the home and community based services - state-only line
item, $4,200,000 from the state general fund for the cost effectiveness
study - client services line item and $1,000,000 from the state general
fund for the adult services line item.

Before implementing provider rate increases, the department shall
engage community stakeholders regarding the department's plans to increase
provider rates. On or before September 1, 2022, the department shall
submit a report to the joint legislative budget committee describing the
efforts to engage stakeholders and the department's plans to implement
provider rate increases for fiscal year 2022-2023.

Before transferring any monies in or out of the case management -
medicaid, case management - state-only and DDD administration line items,
the department shall submit a report for review by the joint legislative
budget committee, except that transfers from the state match transfer from AHCCCS line item into those line items do not require a report for review.

On or before November 30, 2022 and November 30, 2023, the department of economic security shall submit a report to the joint legislative budget committee regarding expenditures from the cost effectiveness study - client services line item in the previous fiscal year. The report shall include the number of clients and total amounts spent from the line item in each setting type along with expenditures for those clients in other line items. The report shall also include cost effectiveness spending in other line items.

The amount appropriated for the home and community based services - medicaid line item includes $280,000,000 from expenditure authority to implement the American rescue plan act of 2021 (P.L. 117-2) home and community-based services spending plan in fiscal year 2022-2023. The department may not use these monies for marketing purposes and any direct payments or grants provided with the monies shall include a notification to the recipient that the monies are onetime funding. Beginning on or before July 31, 2022, the department shall provide quarterly reports to the joint legislative budget committee at the same time that the information is provided to the centers for medicare and medicaid services reflecting any changes to the department's spending plan. Of the amount appropriated for the home and community based services - medicaid line item, $280,000,000 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Employment and rehabilitation services

On or before September 15, 2022 and March 15, 2023, the department of economic security shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the joint legislative budget committee on child care development block grant monies provided from the coronavirus aid, relief, and economic security act, the consolidated appropriations act, 2021 and the American rescue plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the actual expenditures made to date by purpose and, separately, by federal legislation, the expenditure plan for all remaining monies by purpose and, separately, by federal legislation, the number of children served with the monies on average each month, the average child care reimbursement rates for the entire program, including these monies, and the number of child care settings with a quality rating.

The department of economic security shall forward to the joint legislative budget committee a monthly report listing data on the child care population served. The report must include, at a minimum, in each program the number of unduplicated children enrolled in child care within the department of economic security and the department of child safety by
program and the average amount paid per child plus quality-related spending.

All workforce investment act grant monies that are received by this state in excess of $56,069,100 are appropriated to the workforce investment act services line item. Before spending these increased monies, the department shall report the intended use of monies in excess of $56,069,100 to the joint legislative budget committee.

Departmentwide

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

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

The $8,000,000 appropriated in the sexual violence services line item pursuant to laws 2021, chapter 408, section 28 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.

Sec. 30.  STATE BOARD OF EDUCATION

<table>
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<tr>
<th>2022-23</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Arizona empowerment scholarship account appeals</td>
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<td>Total appropriation — state board of education</td>
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<tr>
<td>Fund sources:</td>
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<td>State general fund</td>
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Sec. 31.  SUPERINTENDENT OF PUBLIC INSTRUCTION

<table>
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<tbody>
<tr>
<td>FTE positions</td>
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</tbody>
</table>

- 36 -
Teacher certification 2,403,000
Tribal college dual enrollment program 325,000
Total appropriation and expenditure authority — superintendent of public instruction $7,473,208,300
Fund sources:
  State general fund $5,973,447,600
  Education sales tax fund 7,000,000
  Permanent state school fund 328,895,600
  Teacher certification fund 2,359,100
  Tribal college dual enrollment program fund 325,000
  Department of education empowerment scholarship account fund 350,000
  Expenditure authority 1,160,831,000
Operating budget
The operating lump sum appropriation includes $683,900 and 8.5 FTE positions for average daily membership auditing and $200,000 and 2 FTE positions for information technology security services.
The amount appropriated for the department of education's operating budget includes $500,000 for technical assistance and state-level administration of the K-3 reading program established pursuant to section 15-211, Arizona Revised Statutes.
Any monies available to the department of education pursuant to section 42-5029.02, subsection A, paragraph 8, Arizona Revised Statutes, for the failing schools tutoring fund established by section 15-241, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029.02, subsection A, paragraph 8, Arizona Revised Statutes.
Any monies available to the department of education pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes, for character education matching grants pursuant to section 15-154.01, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes.
Basic state aid
The appropriation for basic state aid provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated $328,895,600 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2022-2023.

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

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

Any monies available to the department of education pursuant to
section 42-5029.02, subsection A, paragraph 5, Arizona Revised Statutes,
for the increased cost of basic state aid under section 15-971, Arizona
Revised Statutes, due to added school days in excess of the expenditure
authority amounts are allocated for the purposes of section 42-5029.02,
subsection A, paragraph 5, Arizona Revised Statutes.

Other programs

Any monies available to the department of education for the
classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
10, Arizona Revised Statutes, in excess of expenditure authority amounts
are allocated for the purposes of section 37-521, subsection B, paragraph
4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
paragraph 10, Arizona Revised Statutes.

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

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

Any monies available to the department of education for
accountability purposes pursuant to section 42-5029.02, subsection A,
paragraph 7, Arizona Revised Statutes, in excess of the expenditure
authority amounts are allocated for the purposes of section 42-5029.02,
subsection A, paragraph 7, Arizona Revised Statutes.

The appropriated amount for adult education includes $4,620,000 for
the continuing high school and workforce training program established by
section 15-217.01, Arizona Revised Statutes, $6,000,000 for deposit in the
adult workforce diploma program fund established by section 15-217.02,
subsection B, Arizona Revised Statutes and $6,000,000 for deposit in the
community college adult education workforce development program fund
established by section 15-217.03, subsection C, Arizona Revised Statutes.

Monies appropriated for CTED completion grants are intended to help
fund program completion for students who complete at least fifty percent
of a career technical education program before graduating from high school
and who successfully complete the career technical education district
program after graduating from high school. The application procedures
shall award grant funding only after an eligible student has successfully
completed a career technical education district program.

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

The appropriated amount for CTED completion grants is exempt from
the provisions of section 35-190, Arizona Revised Statutes, relating to
lapsing of appropriations, until June 30, 2024.

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

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

The amount appropriated for foster home youth transitional housing
shall be distributed to the East valley institute of technology for a
transitional housing unit. The legislature intends that the monies be
used to construct and furnish a sixty-four bed transitional housing unit
for foster youths who are at least seventeen years of age but not more
than twenty-one years of age and who need stable housing in order to
obtain a high school diploma or a high school equivalency diploma and who
are earning an industry certification in a program offered by the East
valley institute of technology. On or before September 15 in years 2025, 2026 and 2027, the superintendent of the East valley institute of technology shall submit a report to the governor, the president of the senate, the speaker of the house of representatives and the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting, and provide a copy to the secretary of state, detailing the total number of foster youths who lived in the transitional housing unit during the immediately preceding fiscal year and the progress that each foster youth made toward obtaining a high school diploma or a high school equivalency diploma and earning an industry certification during the fiscal year.

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

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

The department of education shall use the amount appropriated for onetime electronic incident prevention programs for the purposes of awarding student safety grants to public schools. A public school that receives a student safety grant under this section shall use the grant monies to procure and implement an electronic incident prevention program.

The amount appropriated for the school safety program includes an increase of $50,000,000 for additional school safety grants. In allocating the $50,000,000 increase, the department of education shall first distribute monies to schools on the school safety program waiting list to receive grants for the costs of placing school resource officers on school campuses. The awarded grants may not supplant funding provided by local governments for school resource officers. If the total cost of funding new grants for school resource officer costs is less than $50,000,000, the department may allocate the remaining monies to grants to schools for the costs of placing school counselors and social workers on school campuses pursuant section 15-154, Arizona Revised Statutes.

Any monies available to the department of education for school safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes, in excess of the expenditure authority amounts are allocated for the purposes of section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes.

After review by the joint legislative budget committee, in fiscal year 2022-2023, the department of education may use a portion of its fiscal year 2022-2023 state general fund appropriations for basic state aid, additional state aid or the special education fund to fund a shortfall in funding for basic state aid, additional state aid or the special education fund, if any, that occurred in fiscal year 2021-2022.
The department shall provide an updated report on its budget status every three months for the first half of each fiscal year and every month thereafter to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees, the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting. Each report shall include, at a minimum, the department's current funding surplus or shortfall projections for basic state aid and other major formula-based programs and is due thirty days after the end of the applicable reporting period.

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

Notwithstanding section 15-901.03, Arizona Revised Statutes, the superintendent of public instruction may transfer $5,000,000 from the state general fund appropriation for basic state aid for fiscal year 2021-2022 to the results-based funding program for fiscal year 2021-2022 without review by the joint legislative budget committee. Any amount transferred to the results-based funding program under this section that exceeds the amount needed to address a funding shortfall for the results-based funding program for fiscal year 2021-2022 reverts to the state general fund on June 30, 2022.

Sec. 32. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

<table>
<thead>
<tr>
<th>2022-23</th>
<th>FTE positions</th>
<th>63.1</th>
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<tbody>
<tr>
<td>Administration</td>
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<tr>
<td>Emergency management</td>
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<tr>
<td>Military affairs</td>
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<tr>
<td>Emergency management matching funds</td>
<td>1,544,900</td>
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<tr>
<td>National guard matching funds</td>
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<tr>
<td>Onetime maintenance backfill</td>
<td>13,300,000</td>
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<tr>
<td>Federal government matching repayment</td>
<td>759,200</td>
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</tr>
<tr>
<td>National guard tuition reimbursement</td>
<td>$ 1,000,000</td>
<td></td>
</tr>
</tbody>
</table>

Total appropriation – department of emergency and military affairs $ 24,484,700

Fund sources:

| State general fund | $ 24,484,700 |
The $3,370,000 national guard matching funds appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all fiscal year 2022-2023 monies remaining unexpended and unencumbered on December 31, 2023 revert to the state general fund.

The appropriated amount for the national guard tuition reimbursement line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until September 30, 2023.

Sec. 33. DEPARTMENT OF ENVIRONMENTAL QUALITY

2022-23

FTE positions 355.7

Operating lump sum appropriation $ 60,312,100

Direct potable reuse of treated wastewater program 1,500,000

Safe drinking water program 1,814,300

Water quality fee fund deposit 6,400,000

Emissions control contractor payment 26,219,500

Total appropriation — department of environmental quality $ 96,245,900

Fund sources:

State general fund $ 7,900,000

Air quality fund 5,382,800

Emergency response fund 528,300

Emissions inspection fund 30,293,600

Hazardous waste management fund 1,748,300

Indirect cost fund 19,683,300

Permit administration fund 7,166,500

Recycling fund 2,365,100

Safe drinking water program fund 1,814,300

Solid waste fee fund 2,373,000

Water quality fee fund 16,990,700

The department of environmental quality shall report annually on the progress of WQARF activities, including emergency response, priority site remediation, cost recovery activity, revenue and expenditure activity and other WQARF-funded program activity. The department shall submit the fiscal year 2022-2023 report to the joint legislative budget committee on or before September 1, 2022. This report shall also include a budget for the WQARF program that is developed in consultation with the WQARF advisory board. This budget shall specify the monies budgeted for each listed site during fiscal year 2022-2023. In addition, the department and the WQARF advisory board shall prepare and submit to the joint legislative budget committee, on or before October 1, 2022, a report in a table format summarizing the current progress on remediation of each listed site on the
The WQARF registry. The table shall include the stage of remediation for each site at the end of fiscal year 2021-2022, indicate whether the current stage of remediation is anticipated to be completed in fiscal year 2022-2023 and indicate the anticipated stage of remediation at each listed site at the end of fiscal year 2022-2023, assuming fiscal year 2022-2023 funding levels. The department and the WQARF advisory board may include other relevant information about the listed sites in the table.

All permit administration fund monies received by the department of environmental quality in excess of $7,166,500 in fiscal year 2022-2023 are appropriated to the department. Before spending permit administration fund monies in excess of $7,166,500 in fiscal year 2022-2023, the department shall report the intended use of the monies to the joint legislative budget committee.

All monies in the department of environmental quality indirect cost fund, including the beginning balance, that are in excess of $19,683,300 in fiscal year 2022-2023 are appropriated to the department. Before spending indirect cost fund monies in excess of $19,683,300 in fiscal year 2022-2023, the department shall report the intended use of the monies to the joint legislative budget committee.

The department of environmental quality shall establish an interagency service agreement with the Arizona department of forestry and fire management to transfer $1,000,000 from the recycling fund established by section 49-837, Arizona Revised Statutes, to the Arizona department of forestry and fire management to administer grants for the purpose of recovering and processing biomass waste.
governor's office of strategic planning and budgeting the total number and
types of cases the board reviewed in fiscal year 2021-2022.

Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

2022-23

FTE positions 184.0
Lump sum appropriation $18,297,500

Fund sources:
Arizona exposition and state fair fund $18,297,500

Of the monies in the Arizona exposition and state fair board
operating budget, $5,000,000 shall be spent for enhanced state fair
operations. Before spending monies in the operating budget on capital
projects, the board shall report the scope, purpose and estimated cost of
the capital improvements to the joint committee on capital review.

Sec. 38. ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT

2022-23

FTE positions 235.5
Operating lump sum appropriation $3,393,800
Environmental county grants 250,000
Gila River nonnative species eradication 5,000,000
Inmate firefighting crews 784,400
Postrelease firefighting crews 1,151,000
Fire suppression 200,000
Mount Lemmon fire district renovation 2,230,900
State fire marshal 1,865,100
State fire school 279,700
Hazardous vegetation removal 3,000,000
US forest service land thinning 2,150,900
Wildfire emergency response 65,000,000
Wildfire mitigation 38,837,300

Total appropriation — Arizona department of forestry and fire management $124,143,100

Fund sources:
State general fund $124,143,100
The monies in the Gila River nonnative species eradication line item are for nonnative vegetation species eradication projects, including projects to replace nonnative vegetation species with native vegetation species and restoring habitat for wildlife, in and along the portion of the Gila River between the western boundary of the city of Avondale and the bridge over the Gila River at State Route 85. The Arizona department of forestry and fire management shall serve as the fiscal agent and contractor for the projects described in this paragraph. The department may subcontract for the eradication and other required services for the projects pursuant to title 34, chapter 6, article 1, Arizona Revised Statutes, to expedite the projects.

On or before September 1, 2023, September 1, 2024 and September 1, 2025, the department shall report to the director of the joint legislative budget committee on the expected amount and purpose of expenditures from the Gila River nonnative species eradication line item. The report shall include projected line item detail. The reports shall also provide follow-up on areas previously treated with funding from the line item and whether the nonnative species have returned.

The appropriation made in the Gila River nonnative species eradication line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except all monies remaining unencumbered or unexpended for the purposes of this section on June 30, 2025 revert to the state general fund.

The appropriation for the hazardous vegetation removal line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2024.

The appropriation for the wildfire emergency response line item shall be used for the purposes and is subject to the restrictions outlined in Laws 2021, first special session, chapter 1, as amended by Laws 2022, chapter 1, section 1. The monies appropriated in the wildfire emergency response line item are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2025.

From the amount appropriated for the wildfire emergency response line item, $3,000,000 shall be used for purposes related to the Woodbury fire.

Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

FTE positions 4.0
Lump sum appropriation $ 438,100
Fund sources:
Board of funeral directors' and embalmers' fund $ 438,100
Sec. 40. ARIZONA GAME AND FISH DEPARTMENT

FTE positions 273.5
Operating lump sum appropriation $45,224,100
Pittman-Robertson/Dingell-Johnson act 3,058,000
Total appropriation — Arizona game and fish department $48,282,100
Fund sources:
Capital improvement fund $1,001,200
Game and fish fund 41,951,900
Wildlife endowment fund 16,200
Watercraft licensing fund 4,955,200
Game, nongame, fish and endangered species fund 357,600

Sec. 41. DEPARTMENT OF GAMING

FTE positions 155.8
Operating lump sum appropriation $9,973,100
Additional operating expenses 3,761,900
Arizona breeders' award 250,000
Casino operations certification 2,104,900
County fairs livestock and agriculture promotion 6,029,500
Division of racing 2,261,100
Contract veterinarian 175,000
Horseracing integrity and safety act assessment 355,100
Racing purse enhancement 5,000,000
Racetrack purse and maintenance and operations funding 5,396,900
Problem gambling 3,320,000
Total appropriation — department of gaming $38,627,500
Fund sources:
State general fund $16,956,500
Fantasy sports contest fund 145,000
Tribal-state compact fund 2,104,900
Arizona benefits fund 16,610,000
State lottery fund 300,000
Racing regulation fund 2,411,500
Racing regulation fund — unarmed combat subaccount 99,600
On or before October 1, 2022, the department of gaming shall report to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on the expected amount and purpose of expenditures from the additional operating expenses line item for fiscal year 2022-2023. The report shall include the projected line item detail.

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

The amount appropriated to the racing purse enhancement line item shall be distributed to a recognized nonprofit horsemen's organization that has represented since 1988 the horsemen participating in racing meetings to be used to promote racing and enhance the general purse structure for eligible horse races held in this state.

The appropriation made in the racetrack purse and maintenance and operations funding line item shall be distributed to commercial live racing permittees to enhance the general purse structure and for track maintenance and operations. From the amount appropriated in the racetrack purse and maintenance and operations funding line item, the department of gaming shall allocate the monies as follows:

1. $4,231,800 to a commercial live racing permittee located in Maricopa county.
2. $815,600 to a commercial live racing permittee located in Yavapai county.
3. $349,500 to a commercial live racing permittee located in Pima county.

On or before August 1, 2022, the department of gaming shall report to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on the expected amount and purpose of expenditures from the event wagering fund established by section 5-1318, Arizona Revised Statutes, for fiscal year 2022-2023. The report shall include the projected line item detail and the number of filled full-time equivalent positions.

On or before the final day of each quarter of fiscal year 2022-2023, the department of gaming shall report to the members of the joint legislative budget committee on the number of equine deaths and injuries that occurred as a result of a horse race and the commercial live racing facility where each incident occurred. The report shall include the number of pre-race inspections performed by a veterinarian employed by or contracted with this state.
The amount appropriated to the horseracing integrity and safety act assessment line item shall be distributed to commercial live racing permittees during fiscal year 2022-2023 to pay the calendar year 2022 assessment levied by the horseracing integrity and safety authority. If the appropriated amount for the horseracing integrity act assessment line item is insufficient to fund all assessments levied by the horseracing integrity and safety authority, the department shall reduce the distribution amounts on a proportional basis in order to cap total statewide distributions at $355,100. The distributions for fiscal year 2022-2023 are estimated to be $309,300 to a commercial live racing permittee located in Maricopa county and $45,800 to a commercial live racing permittee located in Yavapai county.

Sec. 42. OFFICE OF THE GOVERNOR

2022-23

Operating lump sum appropriation $ 7,313,600*
Foster youth education success fund deposit 1,500,000
Total appropriation — office of the governor $ 8,813,600
Fund sources:
State general fund $ 8,813,600

Sec. 43. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

2022-23

FTE positions 22.0
Lump sum appropriation $ 2,688,700*
Fund sources:
State general fund $ 2,688,700

Sec. 44. DEPARTMENT OF HEALTH SERVICES

2022-23

FTE positions 1,141.5
Operating lump sum appropriation $ 55,756,200
Public health/family health
Accelerated nursing programs 50,000,000
Adult cystic fibrosis care 105,200
AIDS reporting and surveillance 1,000,000
Alzheimer's disease research 3,625,000
Behavioral health care provider loan repayment program 2,000,000
Biomedical research support 2,000,000
Breast and cervical cancer and bone density screening 1,369,400
County tuberculosis provider care and control $590,700
Family health pilot program $3,000,000
Folic acid program $400,000
High-risk perinatal services $2,343,400
Homeless pregnant women services $500,000
Newborn screening program $12,132,300
Nonrenal disease management $198,000
Arizona nurse education investment pilot program $15,000,000
Nursing care special projects $200,000
Poison control centers funding $990,000
Preceptor grant program for graduate students $500,000
Renal dental care and nutrition supplements $300,000
Renal transplant drugs $183,000
Arizona state hospital — operating $79,182,500
Arizona state hospital — restoration to competency $900,000
Arizona state hospital — sexually violent persons $9,736,100
Total appropriation — department of health services $242,011,800

Fund sources:
State general fund $187,018,600
Arizona state hospital fund $3,145,700
Arizona state hospital land fund $650,000
Child fatality review fund $196,500
Disease control research fund $1,000,000
DHS indirect cost fund $11,436,800
Emergency medical services operating fund $3,831,300
Environmental laboratory licensure revolving fund $933,300
Federal child care and development fund block grant $884,100
Health services licensing fund $15,570,600
Health services lottery monies fund $200,000
Newborn screening program fund $12,565,100
Nursing care institution resident protection revolving fund $238,200
Tobacco tax and health care
fund — medically needy account 700,000

Vital records electronic systems
fund  3,641,600

Public health/family health

The amount appropriated to the department of health services for accelerated nursing programs is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. Any monies remaining unexpended on July 1, 2024 revert to the state general fund.

Of the amount appropriated for the operating lump sum, $100,000 shall be used for a suicide prevention coordinator to assist school districts and charter schools in suicide prevention efforts. On or before September 1, 2023, the department of health services, in consultation with the department of education, shall report to the governor, the president of the senate, the speaker of the house of representatives, the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting on the suicide prevention coordinator's accomplishments in fiscal year 2022-2023.

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

The department of health services shall distribute the monies appropriated for the family health pilot program line item to at least two nonprofit organizations to implement a statewide system to provide direct services, support services, social services case management and referrals to the biological or adoptive parents of children under two years of age, including unborn children. The purpose of the statewide system is to encourage healthy childbirth, support childbirth as an alternative to abortion, promote family formation, aid successful parenting and increase families' economic self-sufficiency. The statewide system services must be available to all residents of this state in both urban and rural areas. Monies may not be used for abortion referral services or distributed to entities that promote, provide referrals for or perform abortions. Each nonprofit organization that receives the monies must demonstrate both:

1. Experience in marketing and serving the eligible patient population.
   2. That the organization can begin serving clients statewide within sixty days after receiving monies pursuant to this section.

When determining which nonprofit organizations will participate in the family health pilot program, the department shall give preference to nonprofit organizations that are working and providing services in this state.
Each nonprofit organization that participates in the family health pilot program shall submit to the department of health services on a form prescribed by the department a quarterly report of the services and referrals the nonprofit organization provides, including all of the following information:

1. The number of clients served, either by referral or direct services.
2. The number of direct services provided and referrals made.
3. The number of women referred for medical services or medical care.
4. The number of women who received prenatal care.
5. The number of women who were referred for prenatal care.
6. The number of women who received nutrition services.
7. The number of women who were referred for nutrition services.
8. The number of individuals who received adoption services.
9. The number of individuals who were referred for adoption services.
10. The number of individuals who received educational and employment services.

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

The department of health services shall distribute monies appropriated for the biomedical research support line item to a nonprofit medical research institute headquartered in this state that specializes in biomedical research focusing on applying genomic technologies and sequencing to clinical care, that has served as a resource to this state to conduct molecular epidemiologic analyses to assist with disease outbreak investigations and that collaborates with universities, hospitals and health science research centers and other public and private bioscience and related industries in this state. The recipient of these monies shall commission an audit of the expenditure of these monies and shall submit a copy of the audit to the department of health services on or before February 1, 2024.

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

1. Is headquartered in this state.
2. Has been operating in this state for at least the last ten years.

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

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

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

The amount appropriated to the department of health services for the preceptor grant program for graduate students is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. Any monies remaining unexpended on July 1, 2026 revert to the state general fund.

Of the amount appropriated for the department of health services operating lump sum in fiscal year 2021-2022, $1,000,000 from the state general fund is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023 for the purpose of vital records electronic system upgrades.

Arizona state hospital

Of the amount appropriated for the Arizona state hospital—operating line item, $7,100,000 is appropriated onetime to replace the state hospital surveillance system with a system that includes both video and audio capability.

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

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

Sec. 45. ARIZONA HISTORICAL SOCIETY

<table>
<thead>
<tr>
<th>2022-23</th>
<th>FTE positions</th>
<th>50.9</th>
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<tbody>
<tr>
<td></td>
<td>Operating lump sum appropriation</td>
<td>$2,334,600</td>
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<tr>
<td></td>
<td>Field services and grants</td>
<td>62,500</td>
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<td></td>
<td>Papago park museum</td>
<td>508,900</td>
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<tr>
<td>Total appropriation — Arizona historical society</td>
<td>$2,906,000</td>
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Fund sources:

| State general fund | $2,906,000 |

Sec. 46. PRESCOTT HISTORICAL SOCIETY

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<tr>
<th>2022-23</th>
<th>FTE positions</th>
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<tbody>
<tr>
<td></td>
<td>Lump sum appropriation</td>
<td>$900,600</td>
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Fund sources:

| State general fund | $900,600 |

Sec. 47. ARIZONA DEPARTMENT OF HOMELAND SECURITY

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<th>2022-23</th>
<th>FTE positions</th>
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<tbody>
<tr>
<td>Statewide information security and privacy operations and controls</td>
<td>$11,757,200</td>
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<tr>
<td>Cybersecurity software</td>
<td>2,000,000</td>
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<tr>
<td>Statewide cybersecurity grants</td>
<td>10,000,000</td>
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<tr>
<td>Total appropriation — Arizona department of homeland security</td>
<td>$23,757,200</td>
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</tbody>
</table>

Fund sources:

| State general fund | $12,000,000 |
| Information technology fund | 11,757,200 |

Of the amount appropriated for statewide cybersecurity grants, the Arizona department of homeland security may spend up to $310,000 for grant administration.
The department shall use the amount appropriated in the cybersecurity software line item to procure and implement, through a competitive bidding process, an enterprise license for use by agencies of this state for security software that will integrate security into the development process and scan software code in development, production and postproduction to detect and improve security threats by using at least two of the following testing mechanisms:

1. Static analysis security testing.
2. Dynamic testing.
3. Penetration testing.
4. Software composition analysis.

Sec. 48. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

FTE positions 1.0
Lump sum appropriation $ 48,400

Fund sources:
Board of homeopathic and integrated medicine examiners' fund $ 48,400

Sec. 49. ARIZONA DEPARTMENT OF HOUSING

FTE positions 3.0
Operating lump sum appropriation $ 322,700
Housing trust fund deposit 60,000,000
Homeless services grant pilot 10,000,000

Total appropriation — Arizona department of housing $ 70,322,700

Fund sources:
State general fund $ 70,000,000
Housing trust fund 322,700

All monies from the housing trust fund deposit shall be distributed in the form of grants, not loans, to projects in cities, towns and counties in this state. Of the $60,000,000 appropriated to the housing trust fund, $20,000,000 must be distributed to projects in counties other than Maricopa and Pima counties and an additional $4,000,000 must be distributed to the Navajo and Hopi tribal nations.

The Arizona department of housing shall use the monies appropriated for the homeless services grant pilot to establish a grant program for cities, towns and counties in this state for homeless services programs designed to reduce homelessness. Eligible programs must allow homeless individuals to be compensated for daily work, offer a daily remuneration rate and help participants to access support services. Participating cities, towns and counties must provide a dollar-for-dollar local match for each grant dollar received. The department shall prioritize awarding
grants to cities, towns and counties that have an established program that meets the grant requirements.

Sec. 50. INDUSTRIAL COMMISSION OF ARIZONA

2022-23

<table>
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<tr>
<th>FTE positions</th>
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<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$20,122,000</td>
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<tr>
<td>Municipal firefighter reimbursement administration</td>
<td>$80,000</td>
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Total appropriation — industrial commission of Arizona $20,202,000

Fund sources:

State general fund $80,000
Administrative fund $20,122,000

The legislature intends that the state general fund appropriation be used only for administrative costs of title 23, chapter 11, Arizona Revised Statutes, and that this appropriation does not convey any responsibility for firefighter cancer compensation and benefits claims on to this state.

Sec. 51. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

2022-23

<table>
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<th>FTE positions</th>
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<tr>
<td>Operating lump sum appropriation</td>
<td>$10,640,800</td>
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<tr>
<td>Arizona vehicle theft task force</td>
<td>$4,343,500</td>
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<tr>
<td>Automobile theft authority operating budget</td>
<td>$659,300</td>
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<tr>
<td>Information technology upgrades</td>
<td>$700,000</td>
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<tr>
<td>Insurance fraud unit</td>
<td>$1,800,500</td>
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<tr>
<td>Local grants</td>
<td>$957,700</td>
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<tr>
<td>Reimbursable programs</td>
<td>$50,000</td>
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</tbody>
</table>

Total appropriation — department of insurance and financial institutions $19,151,800

Fund sources:

State general fund $7,663,400
Automobile theft authority fund $6,010,500
Financial services fund $5,427,600
Department revolving fund $50,300

Monies in the Arizona vehicle theft task force line item shall be used by the department of insurance and financial institutions to pay seventy-five percent of the personal services and employee-related expenditures for city, town and county sworn officers who participate in the Arizona vehicle theft task force.

Local grants shall be awarded with consideration given to areas with greater automobile theft problems and shall be used to combat economic automobile theft operations.
The department of insurance and financial institutions shall submit a report to the joint legislative budget committee before spending any monies for the reimbursable programs line item. The department shall show sufficient monies collected to cover the expenses indicated in the report. Of the department fees required to be deposited in the state general fund by statute, the legislature intends that the department of insurance and financial institutions shall assess and set the fees at a level to ensure that the monies deposited in the state general fund will equal or exceed the department's expenditure from the state general fund.

Sec. 52. ARIZONA JUDICIARY

Supreme court

| FTE positions | 202.0 |
| Operating lump sum appropriation | $15,992,100 |
| Arizona trial and digital evidence fund deposit | 1,620,000 |
| Automation | 22,738,300 |
| County reimbursements | 187,900 |
| Court appointed special advocate | 4,946,300 |
| Courthouse security | 750,000 |
| Domestic relations | 646,500 |
| State foster care review board | 3,283,000 |
| Commission on judicial conduct | 524,400 |
| Judicial nominations and performance review | 543,900 |
| Model court | 659,700 |
| State aid | 5,679,000 |
| Total appropriation — supreme court | $57,571,100 |

Fund sources:

| State general fund | $25,267,300 |
| Confidential intermediary and fiduciary fund | 494,300 |
| Court appointed special advocate fund | 5,327,000 |
| Criminal justice enhancement fund | 4,407,800 |
| Defensive driving school fund | 4,233,500 |
| Judicial collection enhancement fund | 14,895,800 |
| State aid to the courts fund | 2,945,400 |

On or before September 1, 2022, the supreme court shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects that receive or are anticipated to receive state monies in the current or next two fiscal
years as well as a description of each project, the number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multiyear cost by fund source and budget line item, including any prior-year, current-year and future-year expenditures.

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

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

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

The operating lump sum includes $263,500 for a pay increase for supreme court justices. Pursuant to section 41-1904, Arizona Revised Statutes, as of January 1, 2023, the annual salary for the chief justice of the supreme court is $212,000 and the annual salary for the other justices of the supreme court is $205,000.

Court of appeals

| FTE positions  | 162.8 |
| Division one   | $13,656,300 |
| Division two   | 6,909,700 |
| Total appropriation — court of appeals | $20,566,000 |

Fund sources:

| State general fund | $20,566,000 |

Of the 162.8 FTE positions for fiscal year 2022-2023, 111.3 FTE positions are for division one and 51.5 FTE positions are for division two.

The operating lump sum for division one includes $468,600 for a pay increase for court of appeals judges. Pursuant to section 41-1904, Arizona Revised Statutes, as of January 1, 2023, the annual salary for a court of appeals judge is $190,000.

The operating lump sum for division one includes $1,115,400 for a new three-judge court of appeals panel and ten support staff, effective January 1, 2023.

The operating lump sum for division one includes $450,000 for the remodeling of chambers to accommodate a new three-judge court of appeals panel. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation is not subject to review by the joint committee on capital review.

The operating lump sum for division two includes $175,800 for a pay increase for court of appeals judges. Pursuant to section 41-1904, Arizona
Revised Statutes, as of January 1, 2023, the annual salary for a court of appeals judge is $190,000.

The operating lump sum for division two includes $1,115,400 for a new three-judge court of appeals panel and ten support staff, effective January 1, 2023.

The operating lump sum for division two includes $450,000 for the remodeling of chambers to accommodate a new three-judge court of appeals panel. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation is not subject to review by the joint committee on capital review.

**Superior court**

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>238.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$4,954,600</td>
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<tr>
<td>Judges' compensation</td>
<td>24,962,600</td>
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<tr>
<td>Centralized service payments</td>
<td>4,135,000</td>
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<tr>
<td>Adult standard probation</td>
<td>22,297,600</td>
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<tr>
<td>Adult intensive probation</td>
<td>13,150,200</td>
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<tr>
<td>Community punishment</td>
<td>2,310,300</td>
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<tr>
<td>Court-ordered removals</td>
<td>315,000</td>
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<td>Interstate compact</td>
<td>513,700</td>
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<td>Drug court</td>
<td>1,096,300</td>
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<tr>
<td>General adjudication personnel and other</td>
<td>2,000,000</td>
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<tr>
<td>Juvenile standard probation</td>
<td>3,781,800</td>
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<tr>
<td>Juvenile intensive probation</td>
<td>6,087,200</td>
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<tr>
<td>Juvenile treatment services</td>
<td>20,803,000</td>
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<tr>
<td>Juvenile family counseling</td>
<td>500,000</td>
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<tr>
<td>Juvenile crime reduction</td>
<td>3,313,500</td>
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<tr>
<td>Juvenile diversion consequences</td>
<td>9,088,500</td>
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<tr>
<td>Probation incentive payments</td>
<td>1,000,000</td>
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<tr>
<td>Special water master</td>
<td>497,200</td>
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<tr>
<td>Total appropriation — superior court</td>
<td>$120,806,500</td>
</tr>
</tbody>
</table>

**Fund sources:**

| State general fund                           | $108,830,900 |
| Criminal justice enhancement fund            | 5,456,200   |
| Drug treatment and education fund             | 504,200    |
| Judicial collection enhancement fund          | 6,015,200   |

**Operating budget**

All expenditures made by the administrative office of the courts to administer superior court line items shall be funded only from the superior court operating budget. Monies in superior court line items intended for this purpose shall be transferred to the superior court operating budget before expenditure.
Judges
Of the 238.5 FTE positions, 180 FTE positions represent superior court judges. This FTE position clarification does not limit the counties' ability to add judges pursuant to section 12-121, Arizona Revised Statutes.

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

The judges' compensation line item includes $1,136,100 for a pay increase for superior court judges. Pursuant to section 41-1904, Arizona Revised Statutes, as of January 1, 2023, the annual salary for a superior court judge is $164,700. As of January 1, 2024, the annual salary is $180,000.

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

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2019-2020 expenditure levels for each probation program. State probation monies are not intended to supplant county dollars for probation programs.

On or before November 1, 2022, the administrative office of the courts shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting the fiscal year 2021-2022 actual, fiscal year 2022-2023 estimated and fiscal year 2023-2024 requested amounts for each of the following:

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

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

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

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

On or before November 1, 2022, the administrative office of the courts shall submit a report to the joint legislative budget committee on the county-approved salary adjustments provided to probation officers since the last report on November 1, 2021. The administrative office shall also submit a copy of the report to the governor’s office of strategic planning and budgeting. The report shall include, for each county, the:

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

The amounts appropriated in the adult standard probation, adult intensive probation, interstate compact, drug court, juvenile standard probation, juvenile intensive probation, juvenile treatment services and juvenile diversion consequences line items in fiscal year 2022-2023 include an increase of $1,227,300 to cover the state's share of a 2.5 percent probation officer salary increase. If the counties approve probation officer step or inflation salary increases in fiscal year 2022-2023 that increase the state's share above the amount appropriated, the legislature intends that the counties absorb any additional cost to this state in fiscal year 2022-2023 and subsequent years.

The $187,500 appropriated in the probation officer vehicles line item pursuant to laws 2021, chapter 408, section 51 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations, until June 30, 2023 for the purchase of six vehicles for adult intensive probation officers.
Sec. 53. DEPARTMENT OF JUVENILE CORRECTIONS

FTE positions 738.5
Lump sum appropriation $45,618,500

Fund sources:
State general fund $30,696,600
State charitable, penal and reformatory institutions land fund 4,044,100
Criminal justice enhancement fund 533,200
State education fund for committed youth 1,893,700
Department of juvenile corrections local cost sharing fund 8,450,900

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

Sec. 54. STATE LAND DEPARTMENT

FTE positions 131.7
Operating lump sum appropriation $17,758,800
Natural resource conservation districts 650,000
CAP user fees 1,700,000
Due diligence fund deposit 1,500,000
Due diligence program 5,000,000
Streambed navigability litigation 220,000
Total appropriation — state land department $26,828,800

Fund sources:
State general fund $13,540,100
Environmental special plate fund 260,600
Due diligence fund 5,000,000
Trust land management fund 8,028,100

The appropriation includes $1,700,000 for CAP user fees in fiscal year 2022-2023. For fiscal year 2022-2023, from municipalities that assume their allocation of central Arizona project water for every dollar received as reimbursement to this state for past central Arizona water conservation district payments, $1 reverts to the state general fund in the year that the reimbursement is collected.

Of the amount appropriated for natural resource conservation districts in fiscal year 2022-2023, $30,000 shall be used to provide grants to natural resource conservation districts environmental education centers.
Sec. 55. LEGISLATURE

Senate

Lump sum appropriation $ 22,145,000*

Fund sources:

State general fund $ 22,145,000

Included in the lump sum appropriation of $22,145,000 for fiscal year 2022-2023 is $5,000 for the purchase of mementos and items for visiting officials.

House of representatives

Lump sum appropriation $ 25,385,800*

Fund sources:

State general fund $ 25,385,800

Included in the lump sum appropriation of $25,385,800 for fiscal year 2022-2023 is $5,000 for the purchase of mementos and items for visiting officials.

Legislative council

FTE positions 56.0

Lump sum appropriation $ 8,975,000*

Fund sources:

State general fund $ 8,975,000

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

Included in the lump sum appropriation of $8,975,000 for fiscal year 2022-2023 is $50,000 for planning and operational costs for this state's participation in an Article V convention. These monies may be spent on the joint authorization of the president of the senate and the speaker of the house of representatives.

Ombudsman-citizens aide office

FTE positions 12.0

Lump sum appropriation $ 1,390,400*

Fund sources:

State general fund $ 1,390,400

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

The operating budget includes $137,500 and 1 FTE position to address complaints relating to the administration of the Arizona empowerment scholarship account program established by section 15-2402, Arizona Revised Statutes.

Joint legislative budget committee

FTE positions 29.0

Lump sum appropriation $ 2,841,900*

Fund sources:

State general fund $ 2,841,900
Auditor general

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>224.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$ 23,808,500</td>
</tr>
<tr>
<td>Adult protective services audit</td>
<td>$ 300,000</td>
</tr>
</tbody>
</table>

Total appropriation – auditor general $ 24,108,500*

Fund sources:

| State general fund | $ 24,108,500 |

Of the amount appropriated for the operating lump sum appropriation, the auditor general shall use $3,300,000 for additional agency performance audits and school district audits.

The auditor general shall engage an independent consultant with expertise in adult protective services operations and investigations to examine the current adult protective services and consider best practices to improve the delivery of services in this state, including all of the following:

1. Developing a strategic direction that ensures the safety of vulnerable adults and establishes protocols for services after an investigation.

2. Creating accountability mechanisms, including the capacity to produce accurate data on performance and outcome measures, use of the data for performance management, processes for continuous quality review, mechanisms for qualitative review of system functioning and outcomes for vulnerable adults.

3. Strategies for community engagement, including engagement with families, vulnerable adults and service providers.

4. The need for and frequency of regular, periodic performance evaluations and the recommended areas for future reviews of adult protective services by an independent outside evaluator.

The auditor general shall consider, in its decision to enter into a contract with an independent consultant, the consultant's history of working with states or counties in evaluating its operations for adult protective services, the satisfaction of the states or counties with the work of the consultant, the knowledge of the consultant's staff or contractors in adult protective services reform and operations, the consultant's knowledge of related laws governing adult protective services and the consultant's knowledge of evidence-based and promising best practices in adult protective services. On or before October 1, 2023, the consultant shall submit a report of its work, including findings and recommendations, to the governor, the president of the senate, the speaker of the house of representatives and the chairperson of the house ad hoc committee on abuse and neglect of vulnerable adults and shall provide a copy of its report to the secretary of state.
Sec. 56. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

2022-23

FTE positions 51.2
Lump sum appropriation $ 6,342,800

Fund sources:
Liquor licenses fund $ 6,342,800

Sec. 57. ARIZONA STATE LOTTERY COMMISSION

2022-23

FTE positions 98.8
Operating lump sum appropriation $ 9,657,700
Advertising 15,600,000

Total appropriation – Arizona state lottery commission $ 25,157,700

Fund sources:
State lottery fund $ 25,157,700

An amount equal to twenty percent of tab ticket sales is appropriated to pay sales commissions to charitable organizations. This amount is currently estimated to be $1,560,000 in fiscal year 2022-2023.

An amount equal to 3.6 percent of actual instant ticket sales is appropriated to print instant tickets or to pay contractual obligations concerning instant ticket distribution. This amount is currently estimated to be $38,680,100 in fiscal year 2022-2023.

An amount equal to a percentage of actual online game sales as determined by contract is appropriated to pay online vendor fees. This amount is currently estimated to be $12,659,000, or 4.256 percent of actual online ticket sales, in fiscal year 2022-2023.

An amount equal to 6.5 percent of gross lottery game sales, minus charitable tab tickets, is appropriated to pay sales commissions to ticket retailers. An additional amount not to exceed 0.5 percent of gross lottery game sales is appropriated to pay sales commissions to ticket retailers. The combined amount is currently estimated to be 6.7 percent of total ticket sales, or $91,393,900 in fiscal year 2022-2023.

Sec. 58. BOARD OF MASSAGE THERAPY

2022-23

FTE positions 5.0
Lump sum appropriation $ 553,900

Fund sources:
Board of massage therapy fund $ 553,900

Sec. 59. ARIZONA MEDICAL BOARD

2022-23

FTE positions 61.5
Operating lump sum appropriation $ 7,515,100
Employee performance incentive program 165,600
Total appropriation — Arizona medical board $ 7,680,700

Fund sources:
- Arizona medical board fund $ 7,680,700

Sec. 60. STATE MINE INSPECTOR

FTE positions 22.0
Operating lump sum appropriation $ 1,294,600
Abandoned mines 1,316,700
Aggregate mining land reclamation 181,800
Total appropriation — state mine inspector $ 2,793,100

Fund sources:
- State general fund $ 2,680,200
- Aggregate mining reclamation fund 112,900

All aggregate mining reclamation fund monies received by the state mine inspector in excess of $112,900 in fiscal year 2022-2023 are appropriated to the aggregate mining land reclamation line item. Before spending any aggregate mining reclamation fund monies in excess of $112,900 in fiscal year 2022-2023, the state mine inspector shall report the intended use of the monies to the joint legislative budget committee and the governor's office of strategic planning and budgeting.

Sec. 61. NATUROPATHIC PHYSICIANS MEDICAL BOARD

FTE positions 2.0
Lump sum appropriation $ 198,400

Fund sources:
- Naturopathic physicians medical board fund $ 198,400

Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

FTE positions 2.0
Lump sum appropriation $ 329,300

Fund sources:
- State general fund $ 129,300
- Arizona water banking fund 200,000

Sec. 63. ARIZONA STATE BOARD OF NURSING

FTE positions 52.0
Operating lump sum appropriation $ 4,743,400
Certified nursing assistant credentialing program 538,400
Total appropriation — Arizona state board of nursing $ 5,281,800

Fund sources:
- Board of nursing fund $ 5,281,800
Sec. 64. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ASSISTED LIVING FACILITY MANAGERS

2022-23

FTE positions 7.0
Lump sum appropriation $571,200

Fund sources:
Nursing care institution administrators' licensing and assisted living facility managers' certification fund $571,200

Sec. 65. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

2022-23

FTE positions 1.5
Lump sum appropriation $245,300

Fund sources:
Occupational therapy fund $245,300

Sec. 66. STATE BOARD OF DISPENSING OPTICIANS

2022-23

FTE positions 1.0
Lump sum appropriation $178,900

Fund sources:
Board of dispensing opticians fund $178,900

Sec. 67. STATE BOARD OF OPTOMETRY

2022-23

FTE positions 2.0
Lump sum appropriation $275,500

Fund sources:
Board of optometry fund $275,500

Sec. 68. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY

2022-23

FTE positions 10.0
Lump sum appropriation $1,293,700

Fund sources:
Arizona board of osteopathic examiners in medicine and surgery fund $1,293,700

Sec. 69. ARIZONA STATE PARKS BOARD

2022-23

FTE positions 163.0
Operating lump sum appropriation $14,590,600
Arizona state parks heritage fund deposit 2,500,000
Arizona trail 250,000
State parks store 1,000,000
State lake improvement fund deposit 4,000,000
Kartchner caverns state park 2,354,500

Total appropriation — Arizona state parks board $ 24,695,100

Fund sources:
State general fund $ 6,500,000
State parks revenue fund 17,178,400
State parks store fund 1,000,000
Off-highway vehicle recreation fund 16,700

In addition to the operating lump sum appropriation, an amount equal to the revenue share agreement with the United States forest service for Fool Hollow Lake recreation area is appropriated to the Arizona state parks board from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes.
The Arizona state parks board may distribute the monies in the Arizona state parks heritage fund deposit line item to grantees for local, regional and state historic preservation projects, local, regional and state nonmotorized trails and outdoor and environmental education.
The Arizona state parks board shall manage the monies in the Arizona trail line item but may distribute the monies to a nonprofit entity.

Sec. 70.  STATE PERSONNEL BOARD

2022-23
FTE positions 2.0
Lump sum appropriation $ 326,400

Fund sources:
Personnel division fund — personnel board subaccount $ 326,400

Sec. 71.  ARIZONA STATE BOARD OF PHARMACY

2022-23
FTE positions 25.4
Operating lump sum appropriation $ 3,224,400
Prescriber report card 50,000
Total appropriation — Arizona state board of pharmacy $ 3,274,400

Fund sources:
Arizona state board of pharmacy fund $ 3,274,400

Sec. 72.  BOARD OF PHYSICAL THERAPY

2022-23
FTE positions 4.0
Lump sum appropriation $ 592,100

Fund sources:
Board of physical therapy fund $ 592,100

Sec. 73.  ARIZONA PIONEERS' HOME

2022-23
FTE positions 107.3
Lump sum appropriation $ 7,138,300

Fund sources:

Miners' hospital for miners with disabilities land fund $ 2,074,100
State charitable fund 5,064,200

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

Sec. 74. STATE BOARD OF PODIATRY EXAMINERS

FTE positions 1.0
Lump sum appropriation $ 172,700

Fund sources:
Podiatry fund $ 172,700

Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

FTE positions 4.0
Lump sum appropriation $ 416,000

Fund sources:
Board for private postsecondary education fund $ 416,000

Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS

FTE positions 4.5
Lump sum appropriation $ 596,000

Fund sources:
Board of psychologist examiners fund $ 596,000

Sec. 77. DEPARTMENT OF PUBLIC SAFETY

FTE positions 2,074.2
Operating lump sum appropriation $327,408,500
ACTIC 1,450,000
AZPOST 6,576,000
Border strike task force ongoing 18,057,600
Border strike task force local support 12,232,900
Civil air patrol infrastructure 5,000,000*
Civil air patrol maintenance and operations 150,000
Commercial vehicle enforcement consolidation 978,400
GIITEM 28,311,100
GIITEM subaccount 2,396,400
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1. Major incident division 10,000,000*
2. Motor vehicle fuel 5,454,600
3. Onetime vehicle bumper tethers 1,800,000
4. Onetime helicopter replacement 13,459,600
5. Onetime K-9 support 1,900,000
6. Onetime vehicle replacement 11,709,300
7. Pharmaceutical diversion and drug theft task force 693,800
8. Public safety equipment 2,890,000
9. Total appropriation — department of public safety $450,468,200

10. Fund sources:
11. State general fund $373,053,700
12. State highway fund 8,167,000
13. Arizona highway patrol fund 27,004,300
14. Criminal justice enhancement fund 2,931,500
15. Department of public safety forensics fund 22,528,600
16. Gang and immigration intelligence team enforcement mission border security and law enforcement subaccount 2,396,400
17. Motorcycle safety fund 198,900
18. Motor vehicle liability insurance enforcement fund 1,254,100
19. Risk management revolving fund 1,351,000
20. Parity compensation fund 4,000,300
21. Public safety equipment fund 2,894,000
22. Concealed weapons permit fund 3,107,300
23. Fingerprint clearance card fund 1,581,100

24. Of the $28,311,100 appropriated to the GIITEM line item, $16,257,200 shall be used for one hundred department of public safety GIITEM personnel. The additional staff shall include at least fifty sworn department of public safety positions to be used for immigration enforcement and border security and fifty department of public safety positions to assist GIITEM in various efforts, including:
25. 1. Strictly enforcing all federal laws relating to illegal aliens and arresting illegal aliens.
26. 2. Responding to or assisting any county sheriff or attorney in investigating complaints of employment of illegal aliens.
27. 3. Enforcing Arizona's law known as the Legal Arizona Workers Act, strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law Enforcement and Safe Neighborhoods Act" and investigating crimes of identity theft in the context of hiring illegal aliens and the unlawful entry into this country.

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4. Taking strict enforcement action.

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

Of the $28,311,100 appropriated to the GIITEM line item, only $1,403,400 is deposited in the GIITEM fund established by section 41-1724, Arizona Revised Statutes, and is appropriated for the purposes of that section. The $1,403,400 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. This state recognizes that states have inherent authority to arrest a person for any immigration violation.

Any monies remaining in the department of public safety joint account on June 30, 2023 revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

On or before September 1, 2022, the department of public safety shall submit an expenditure plan for the border strike task force local support line item to the joint legislature budget committee and the governor's office of strategic planning and budgeting.

Of the $12,232,900 appropriated for the border strike task force local support line item, $11,732,900 shall be used to fund local law enforcement officer positions within the border strike task force. Any city, town, county or other entity that enters into an agreement with the department to participate in the border strike task force shall provide at least twenty-five percent of the cost of the services, and the department shall provide not more than seventy-five percent of personal services and employee-related expenditures for each agreement or contract. The department may fund all capital-related equipment.

Of the $12,232,900 appropriated for the border strike task force local support line item, $500,000 shall be used for grants to cities, towns or counties for costs associated with prosecuting and imprisoning individuals charged with drug trafficking, human smuggling, illegal immigration and other border-related crimes.

Of the $13,459,600 appropriated for the onetime helicopter replacement line item, $2,559,600 shall be used to cover the cost of upfitting a previously purchased helicopter.

The department shall use the $11,709,300 appropriated for the onetime vehicle replacement line item to replace at least 276 vehicles. This appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2024.

Until all of the monies in the civil air patrol infrastructure line item have been distributed, on or before December 1 of each year, the
department shall submit a report to the joint legislative budget committee on the monies distributed from the civil air patrol infrastructure line item and the intended purposes of the distributions.

Before spending the $978,400 appropriated for the commercial vehicle enforcement consolidation line item, the department shall submit an operational and expenditure plan, including a description of how the department of public safety will split the commercial vehicle enforcement duties with the department of transportation, to the joint legislative budget committee for review.

Of the amount appropriated in the total appropriation for the department of public safety, $161,717,600 is designated for personal services and $143,165,500 is designated for employee-related expenditures. The department shall submit an expenditure plan to the joint legislative budget committee for review before spending these monies for other than personal services or employee-related expenditures.

Sec. 78. STATE REAL ESTATE DEPARTMENT

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

Fund sources:
- State general fund | $2,922,100 |

Sec. 79. RESIDENTIAL UTILITY CONSUMER OFFICE

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<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Professional witnesses</td>
</tr>
</tbody>
</table>

Total appropriation — residential utility consumer office | $1,452,200 |

Fund sources:
- Residential utility consumer office revolving fund | $1,452,200 |

Sec. 80. BOARD OF RESPIRATORY CARE EXAMINERS

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

Fund sources:
- Board of respiratory care examiners fund | $370,000 |

Sec. 81. ARIZONA STATE RETIREMENT SYSTEM

<table>
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<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>
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1 Fund sources:
2 Arizona state retirement system administration account $23,799,400
3 Long-term disability trust fund administration account 1,800,000
4 Sec. 82. DEPARTMENT OF REVENUE
5 2022-23
6 FTE positions 892.8
7 Operating lump sum appropriation $69,726,000
8 BRITS operational support 7,567,500
9 E-commerce compliance and outreach 854,900
10 Unclaimed property administration and audit 1,467,800
11 TPT simplification 984,100
12 Tax fraud prevention 3,150,000
13 Total appropriation — department of revenue $83,750,300
14 Fund sources:
15 State general fund $56,589,100
16 Department of revenue administrative fund 25,669,800
17 Liability setoff program revolving fund 806,900
18 Tobacco tax and health care fund 684,500
19 If the total value of properties retained by unclaimed property contract auditors exceeds $1,467,800, the excess amount is transferred from the state general fund to the department of revenue administrative fund established by section 42-1116.01, Arizona Revised Statutes, and is appropriated to the department for contract auditor fees.
20 The department shall report the department's general fund revenue enforcement goals for fiscal year 2022-2023 to the joint legislative budget committee on or before September 30, 2022. On or before September 30, 2023, the department shall provide an annual progress report to the joint legislative budget committee as to the effectiveness of the department's overall enforcement and collections program for fiscal year 2022-2023. The reports shall compare projected and actual state general fund, total state tax, total county tax and total municipal tax revenue enforcement collections for fiscal year 2021-2022 and fiscal year 2022-2023, including the amount of projected and actual enforcement collections for all tax types. The reports shall also include the total number of transaction privilege tax delinquent accounts, the total dollar value of those accounts classified by age of account and the total dollar amount of delinquent account write-offs determined to be uncollectible for fiscal year 2021-2022.
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The department may not transfer any monies to or from the tax fraud prevention line item without prior review by the joint legislative budget committee.

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

On or before November 1, 2022, the department shall report the results of private fraud prevention investigation services during fiscal year 2021-2022 to the joint legislative budget committee. The report shall include the total number of fraudulent returns prevented and the total dollar amount of fraudulent returns prevented during fiscal year 2021-2022.

Sec. 83. DEPARTMENT OF STATE — SECRETARY OF STATE

*.* FTE positions

| Operating lump sum appropriation | $13,347,100 |
| Access voter information database | 483,500 |
| Election services | 8,000,000 |
| Library grants-in-aid | 651,400* |
| Statewide radio reading service for the blind | 97,000 |
| Uniform state laws commission | 99,000 |

Total appropriation — department of state — secretary of state $22,678,000

Fund sources:

| State general fund | $20,907,700 |
| Election systems improvement fund | 483,500 |
| Records services fund | 1,286,800 |

Included in the operating lump sum appropriation of $13,347,100 for fiscal year 2022-2023 is $5,000 for the purchase of mementos and items for visiting officials.

Included in the operating lump sum appropriation of $13,347,100 for fiscal year 2022-2023 is $1,286,800 from the records services fund. This appropriation may be used for the payment of obligations incurred in fiscal year 2021-2022.

The secretary of state may hire one full-time equivalent position to serve as legal advisor and to represent the secretary of state, but the secretary of state may not make expenditures or incur indebtedness to employ outside or private attorneys to provide representation or services.

Before transferring any monies in or out of the election services line item, the secretary of state shall submit a report for review by the joint legislative budget committee.

Monies in the access voter information database line item may be used only for the exclusive purpose of developing and administering the statewide database of voter registration information required by section
16-168, Arizona Revised Statutes. The secretary of state may not transfer any monies in or out of the access voter information database line item. Notwithstanding section 35-190, Arizona Revised Statutes, the appropriation of $5,352,200 to the secretary of state for the county allocation of help America vote act election security grant monies made by Laws 2020, chapter 58, section 104 that remains unexpended on June 30, 2023 reverts to the fund from which the monies were appropriated.

Sec. 84. STATE BOARD OF TAX APPEALS

<table>
<thead>
<tr>
<th>2022-23</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Lump sum appropriation</td>
<td>$283,300</td>
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<td>Fund sources:</td>
<td></td>
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<tr>
<td>State general fund</td>
<td>$283,300</td>
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</table>

Sec. 85. STATE BOARD OF TECHNICAL REGISTRATION

<table>
<thead>
<tr>
<th>2022-23</th>
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<tbody>
<tr>
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<tr>
<td>Lump sum appropriation</td>
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<td>Fund sources:</td>
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<tr>
<td>Technical registration fund</td>
<td>$2,375,400</td>
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Sec. 86. OFFICE OF TOURISM

<table>
<thead>
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<th>2022-23</th>
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<tbody>
<tr>
<td>FTE positions</td>
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<tr>
<td>Tourism fund deposit</td>
<td>$7,131,500</td>
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<tr>
<td>Arizona promotion</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Wine promotion</td>
<td>$1,100,000*</td>
</tr>
</tbody>
</table>

Total appropriation – office of tourism | $9,231,500

|  |
|---|---|
| State general fund | $9,231,500 |

On or before July 31, 2023, July 31, 2024 and July 31, 2025, the director of the office of tourism shall submit a report to the joint legislative budget committee detailing the uses of the monies in the wine promotion line item during the previous fiscal year.

Sec. 87. DEPARTMENT OF TRANSPORTATION

<table>
<thead>
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<th>2022-23</th>
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<tbody>
<tr>
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<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Attorney general legal services</td>
<td>3,623,700</td>
</tr>
<tr>
<td>Highway maintenance</td>
<td>202,636,900</td>
</tr>
<tr>
<td>Vehicles and heavy equipment maintenance</td>
<td>25,285,200</td>
</tr>
<tr>
<td>State fleet operations</td>
<td>25,267,100</td>
</tr>
<tr>
<td>State fleet vehicle replacement</td>
<td>10,715,800</td>
</tr>
<tr>
<td>Driver license security software</td>
<td>2,260,000</td>
</tr>
<tr>
<td>Driver safety and livestock control</td>
<td>800,000</td>
</tr>
</tbody>
</table>
Vehicle and heavy equipment replacement 22,400,000
Highway damage recovery account 8,000,000
Preventive surface treatments 36,142,000
Authorized third parties 2,104,400
Total appropriation – department of transportation $562,813,300

Fund sources:
- Air quality fund $324,500
- Arizona highway user revenue fund 701,600
- Highway damage recovery account 8,000,000
- Ignition interlock device fund 351,100
- Motor vehicle liability insurance enforcement fund 5,154,100
- State fleet operations fund 25,267,100
- State vehicle replacement fund 10,715,800
- State aviation fund 2,014,200
- State highway fund 482,905,100
- Department fleet operations fund 25,285,200
- Vehicle inspection and certificate of title enforcement fund 2,094,600

Motor vehicle division

The department shall submit an annual report to the joint legislative budget committee on progress in improving motor vehicle division wait times and vehicle registration renewal by mail turnaround times in a format similar to prior years. The report is due on or before July 31, 2023 for fiscal year 2022-2023.

On or before February 1, 2023, the Arizona strategic enterprise technology office shall submit, on behalf of the department of transportation, an annual progress report to the joint legislative budget committee staff. The annual report shall provide updated plans for spending the department-dedicated portion of the authorized third-party electronic service partner's fee retention on the motor vehicle modernization project in fiscal year 2022-2023, including any amounts for stabilization, maintenance, ongoing operations, support and enhancements for the motor vehicle modernization solution, maintenance of legacy mainframe processing and support capability, and other system projects outside the scope of the motor vehicle modernization project.

On or before August 1, 2022, the department shall report to the director of the joint legislative budget committee the state's share of fees retained by the service Arizona vendor in the prior fiscal year. The report shall include the amount spent by the service Arizona vendor on behalf of this state in the prior fiscal year and a list of the projects funded with those monies.
Of the total amount appropriated, $202,636,900 in fiscal year 2022-2023 for highway maintenance is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to the state highway fund established by section 28-6991, Arizona Revised Statutes, on August 31, 2023.

The amount appropriated to the preventive surface treatments line item is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to the state highway fund established by section 28-6991, Arizona Revised Statutes, on August 31, 2023.

Of the total amount appropriated, the department of transportation shall pay $15,981,300 in fiscal year 2022-2023 from all funds to the department of administration for its risk management payment.

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

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

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

The department may use $37,954.04 from the fiscal year 2022-2023 state highway fund appropriation to pay a fiscal year 2016-2017 invoice.
Total appropriation — state treasurer $ 8,990,800

Fund sources:
- State general fund $ 3,223,300
- Law enforcement and boating safety fund 2,183,800
- State treasurer's operating fund 3,583,700

On or before June 30, 2023, the state treasurer shall report to the joint legislative budget committee staff on the state treasurer's current fiscal year and estimated next fiscal year expenditures of interest earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised Statutes, for the state treasurer's banking service contract, external investment management agreement, administrative and information technology costs and any other costs.

Sec. 89. GOVERNOR'S OFFICE ON TRIBAL RELATIONS

2022-23

FTE positions 3.0
Lump sum appropriation $ 63,500

Fund sources:
- State general fund $ 63,500

Sec. 90. ARIZONA BOARD OF REGENTS

2022-23

FTE positions 30.9
Operating lump sum appropriation $ 2,455,400
Adaptive athletics 160,000
Camp Verde meat processing facility 9,700,000
Enclosed feeding facility 9,500,000
Food product and safety laboratory 10,900,000
Arizona promise program 20,000,000
Spouses of military veterans tuition scholarships 10,000,000
Arizona teachers academy 15,000,000
Arizona teachers incentive program 90,000
Arizona teacher student loan program 426,000
Arizona transfer articulation support system 213,700
Leveraging educational assistance partnership program 1,220,800
Veterinary loan assistance program 6,000,000
Washington, D.C. internships 300,000*
Western interstate commission office 153,000
WICHE student subsidies 4,078,000

- 77 -
Total appropriation — Arizona board of regents $ 90,196,900

Fund sources:
  State general fund $ 90,196,900

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

The Arizona board of regents shall distribute the monies appropriated in the Camp Verde meat processing facility line item to the university of Arizona for distribution to an entity for construction of a meat processing facility and truck handling facilities in Camp Verde. The entity receiving the monies shall provide an education component as part of its operations. If the entity receiving the monies sells the meat processing facility, the proceeds from the sale shall be transferred to this state for deposit in the state general fund. These monies may not be used for administrative costs.

The Arizona board of regents shall distribute monies appropriated in the enclosed feeding facility line item to the university of Arizona to construct an enclosed feeding facility at the campus agricultural center. These monies may not be used for administrative costs.

The Arizona board of regents shall distribute monies appropriated in the food product and safety laboratory line item to the university of Arizona for capital improvements to the food product and safety laboratory at the campus agricultural center. These monies may not be used for administrative costs.

In order to be eligible to receive state matching monies under the leveraging educational assistance partnership program for grants to students, each participating institution, public or private, shall provide an amount of institutional matching monies that equals the amount of monies provided by this state to the institution for the leveraging educational assistance partnership program. Administrative expenses incurred by the Arizona board of regents shall be paid from institutional matching monies and may not exceed twelve percent of the monies appropriated in fiscal year 2022-2023.
The Arizona board of regents shall distribute monies appropriated for Washington, D.C. internships in equal amounts to each of the three universities under the jurisdiction of the board for the purpose of providing student internships in Washington, D.C. in partnership with a third-party organization. The third-party organization must meet the following requirements:

1. Have partnerships with Washington, D.C.-based organizations to provide full-time, semester-long student internships.
2. Have the ability to place as many students in internships as needed by the universities.
3. Have experience placing students in internships for at least ten consecutive years.
4. Have dedicated staff to ensure that student interns have access to internships in their areas of interest.

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

Sec. 91. ARIZONA STATE UNIVERSITY

| 2022-23 |
|-----------------|-----------------|
| FTE positions   | 8,171.0          |
| Operating lump sum appropriation | $838,575,000 |
| Biomedical informatics | 3,723,500 |
| Eastern Europe cultural collaborative | 250,000 |
| School of civic and economic thought and leadership | 5,818,300 |
| Arizona financial aid trust | 5,985,800 |
| Downtown Phoenix campus | 104,815,500 |
| Total appropriation — Arizona state university | $959,168,100 |

Fund sources:

| State general fund | $361,449,300 |
| University collections fund | 597,718,800 |

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

The increased state general fund appropriation from Laws 2014, chapter 18 may not be used for medical marijuana research.
Other than scholarships awarded through the Arizona financial aid trust, the appropriated monies may not be used for scholarships or any student newspaper.

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

Of the amount appropriated to the Arizona state university operating budget, $21,200,000 is onetime funding. On or before September 1, 2022, Arizona state university shall provide a detailed expenditure plan to the joint legislative budget committee that includes a description of the intended purposes and the estimated costs of each expenditure.

Arizona state university shall use monies appropriated for the eastern Europe cultural collaborative to facilitate cultural and academic exchanges between university faculty and students and academic institutions in eastern Europe.

The appropriated amount for the school of civic and economic thought and leadership line item shall be used to operate a single stand-alone academic entity within Arizona state university. The appropriated amount may not supplant any existing state funding or private or external donations to the existing centers or to the school. The appropriated monies and all private and external donations to the school, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the school and may not be used for indirect costs of the university. On or before October 1, 2022, the school shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the school:

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

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

Any unencumbered balances remaining in the university collections fund on June 30, 2022 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this
appropriation may be spent for supplemental life insurance or supplemental retirement.

Sec. 92. NORTHERN ARIZONA UNIVERSITY

2022-23

<table>
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<tr>
<th>FTE positions</th>
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<tr>
<td>Operating lump sum appropriation</td>
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<tr>
<td>Arizona financial aid trust</td>
<td>1,326,000</td>
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<tr>
<td>Biomedical research funding</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Economic policy institute</td>
<td>865,300</td>
</tr>
<tr>
<td>NAU - Yuma</td>
<td>3,075,600</td>
</tr>
<tr>
<td>Teacher training</td>
<td>2,292,700</td>
</tr>
</tbody>
</table>

Total appropriation — Northern Arizona university $261,854,000

Fund sources:

| State general fund              | $126,870,700 |
| University collections fund     | 134,983,300  |

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

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

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

Of the amount appropriated to the northern Arizona university operating budget, $10,100,000 is onetime funding. On or before September 1, 2022, northern Arizona university shall provide a detailed expenditure plan to the joint legislative budget committee that includes a description of the intended purposes and the estimated costs of each expenditure.

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

Any unencumbered balances remaining in the university collections fund on June 30, 2022 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be spent for supplemental life insurance or supplemental retirement.

The biomedical research funding shall be distributed to a nonprofit medical research foundation in this state that collaborates with universities, hospitals and biotechnology and health research centers. A nonprofit foundation that receives monies shall submit an expenditure and performance report to Northern Arizona university. The university shall
transmit the report to the joint legislative budget committee and the
director of the governor's office of strategic planning and budgeting on
or before February 1, 2023. The report must include at least the
following:

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

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

3. Performance measures, including:
   (a) Outcomes that are specifically related to the use of state
monies.
   (b) Progress that has been made toward achieving each outcome,
including activities, resources and other evidence of the progress.
   (c) Reportable inventions or discoveries related to each outcome.
   (d) Publications, presentations and narratives related to each
outcome and how the expenditures from all state sources of monies that the
nonprofit foundation received have benefited this state.

The appropriated amount for the economic policy institute line item
may not supplant any existing state funding or private or external
donations to the institute or to the university. The appropriated monies
and all private and external donations to the institute, including any
remaining balances from prior fiscal years, shall be deposited in a
separate account, shall be used only for the direct operation of the
institute and may not be used for indirect costs of the university. On or
before October 1, 2022, the institute shall submit to the president of the
senate, the speaker of the house of representatives, the chairpersons of
the senate education committee and the house of representatives education
committee and the director of the joint legislative budget committee a
report that includes at least the following information for the institute:

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

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

Sec. 93. UNIVERSITY OF ARIZONA

<table>
<thead>
<tr>
<th>Main campus</th>
<th>FTE positions</th>
<th>Operating lump sum appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,975.5</td>
<td>$463,099,000</td>
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<td>Agriculture</td>
<td>37,317,700</td>
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</table>
1  Arizona cooperative extension 15,077,000
2  Arizona financial aid trust 2,729,400
3  Arizona geological survey 1,148,500
4  Center for the philosophy
5  of freedom 4,344,600
6  College of veterinary medicine 8,000,000
7  Kazakhstan studies program 250,000
8  Mining, mineral and natural
9  resources educational museum 428,800
10  Natural resource users law and
11  policy center 1,950,000
12  School of mining 4,000,000
13  Sierra Vista campus 6,277,200
14  Veterinary diagnostic laboratory 5,000,000
15  Total — main campus $549,622,200
16  Fund sources:
17  State general fund $245,033,200
18  University collections fund 304,589,000
19  Health sciences center
20  FTE positions 1,268.7
21  Operating lump sum appropriation $ 86,455,700
22  Clinical rural rotation 353,600
23  Clinical teaching support 8,587,000
24  Liver research institute 440,400
25  Phoenix medical campus 35,754,300
26  Telemedicine network 1,670,000
27  Total — health sciences center $133,261,000
28  Fund sources:
29  State general fund $ 76,897,700
30  University collections fund 56,363,300
31  Total appropriation — university of
32  Arizona $682,883,200
33  Fund sources:
34  State general fund $321,930,900
35  University collections fund 360,952,300
36  The state general fund appropriation may not be used for alumni
37  association funding.
38  The increased state general fund appropriation from Laws 2014,
39  chapter 18 may not be used for medical marijuana research.
40  Other than scholarships awarded through the Arizona financial aid
41  trust, the appropriated monies may not be used for scholarships or any
42  student newspaper.
43  Of the amount appropriated to the university of Arizona operating
44  budget, $14,700,000 is onetime funding. On or before September 1, 2022,
45  the university of Arizona shall provide a detailed expenditure plan to the
The university of Arizona may not use monies appropriated for the Arizona geological survey line item for any other purpose and may not transfer the monies appropriated for the Arizona geological survey to the operating budget or any other line item.

The legislature intends that $8,000,000 of the amount appropriated to the health sciences center operating lump sum appropriation line item be used to expand the college of medicine Phoenix campus and to develop and administer a primary care physician scholarship program at the college of medicine Phoenix campus and the college of medicine Tucson campus. The legislature intends that the $8,000,000 not be annualized in future years.

The appropriated amount for the center for the philosophy of freedom line item may not supplant any existing state funding or private or external donations to the center or the philosophy department of the university of Arizona. The appropriated monies and all private and external donations to the center, including any remaining balances from prior fiscal years, shall be deposited in a separate account, shall be used only for the direct operation of the center and may not be used for indirect costs of the university. On or before October 1, 2022, the center shall submit a report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate education committee and the house of representatives education committee and the director of the joint legislative budget committee that includes at least the following information for the center:

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

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

The amount appropriated to the college of veterinary medicine line item shall be distributed to the college of veterinary medicine to increase the number of students that are residents of this state. Before spending these monies, the university of Arizona shall report to the joint legislative budget committee all of the following information for the college of veterinary medicine:

1. The current number of students who are residents of this state.
2. The current number of students who are not residents of this state.
3. With these monies, the proposed number of students who are residents of this state.
4. With these monies, the proposed number of students who are not residents of this state.

The university of Arizona shall use monies appropriated for the Kazakhstan studies program to facilitate academic exchanges between university students and academic institutions in Kazakhstan.

The amount appropriated for the natural resource users law and policy center line item shall be used by the natural resource users law and policy center within the Arizona cooperative extension, with $500,000 to assist claimants in the general stream adjudication of water rights pursuant to section 15-1647, Arizona Revised Statutes, $1,000,000 for operational costs of the natural resource users law and policy center and $450,000 to conduct a statewide survey of species in this state.

The amount appropriated to the veterinary diagnostic laboratory line item shall be used for operating expenditures or capital improvements for the veterinary diagnostic laboratory. Before spending these monies, the university of Arizona shall report to the joint legislative budget committee the intended use of the monies for operating expenditures and to the joint committee on capital review the scope, purpose and estimated cost of the capital improvements.

Any unencumbered balances remaining in the university collections fund on June 30, 2022 and all collections received by the university during the fiscal year are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be spent for supplemental life insurance or supplemental retirement.

Sec. 94. DEPARTMENT OF VETERANS' SERVICES

| FTE positions | 772.3 |
| Operating lump sum appropriation | $2,364,000 |
| Arizona state veterans' homes | 57,011,900 |
| Hyperbaric oxygen therapy for military veterans fund deposit | 3,640,000 |
| Arizona state veterans' cemeteries | 941,600 |
| Veterans' benefit counseling | 3,601,800 |
| Veterans' support services | 1,226,100 |
| Veterans' trauma treatment services | 450,000 |
| Total appropriation — department of veterans' services | $69,235,400 |

Fund sources:

| State general fund | $12,223,500 |
| State home for veterans' trust fund | 57,011,900 |
The amount appropriated for veterans’ support services line item shall be distributed to a nonprofit veterans’ services organization that provides support services among this state’s military and veteran population. The department may spend up to $76,500 of this appropriation to hire a program specialist to liaise between the department and the selected nonprofit organization. Before the expenditure of the monies, the department shall submit an expenditure report to the joint legislative budget committee that includes the status of non-state matching grant monies.

Monies appropriated for the veterans’ trauma treatment services line item shall be used to provide grants to contractors as defined in section 36-2901, Arizona Revised Statutes, that provide trauma treatment services training to any of the following health professionals licensed pursuant to title 32, Arizona Revised Statutes:

1. Physicians.
2. Registered nurse practitioners.
3. Physician assistants.
4. Psychologists.
5. Behavioral health professionals who are either licensed for individual practice or supervised by a psychologist, registered nurse practitioner or behavioral health professional licensed pursuant to title 32, Arizona Revised Statutes, for independent practice.

Sec. 95. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

<table>
<thead>
<tr>
<th>2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
</tbody>
</table>

Fund sources:
Veterinary medical examining board fund $ 714,600

Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

<table>
<thead>
<tr>
<th>2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Arizona water projects assistance grants</td>
</tr>
</tbody>
</table>

Total appropriation – water infrastructure finance authority of Arizona $ 10,000,000

Fund sources:
State general fund $ 10,000,000

Of the amount appropriated to the eastern Arizona water projects assistance grants line item, $6,000,000 is allocated to provide financial assistance to cities and towns that provide water in Navajo and Apache counties to contract for services of outside advisors, attorneys, consultants and aides that are reasonably necessary or desirable to enable the cities and towns to adequately perform their duties. The water infrastructure finance authority of Arizona shall develop a separate grant
program to distribute these monies to qualified entities on or before June 30, 2023.

Of the amount appropriated to the eastern Arizona water projects assistance grants line item, $4,000,000 is allocated to provide financial assistance to irrigation districts in Cochise and Graham counties to contract for services of outside advisors, attorneys, consultants and aides that are reasonably necessary or desirable to enable the irrigation districts to adequately perform their duties. Each county shall receive a $2,000,000 allocation. The water infrastructure finance authority of Arizona shall develop a separate grant program to distribute these monies to qualified entities on or before June 30, 2023.

Sec. 97. DEPARTMENT OF WATER RESOURCES

<table>
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<th>2022-23</th>
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</thead>
<tbody>
<tr>
<td>FTE positions</td>
<td>149.0</td>
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<tr>
<td>Operating lump sum appropriation</td>
<td>$13,840,600</td>
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<tr>
<td>Adjudication support</td>
<td>1,757,300</td>
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<tr>
<td>Arizona water protection fund deposit</td>
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<tr>
<td>Assured and adequate water supply administration</td>
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<tr>
<td>Rural water studies</td>
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<td>Conservation and drought program</td>
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<td>Automated groundwater monitoring</td>
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<td>Colorado River legal expenses</td>
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<tr>
<td>New River flood insurance study</td>
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<td>Total appropriation - department of water resources</td>
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Fund sources:

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<td>Water resources fund</td>
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<tr>
<td>Assured and adequate water supply administration fund</td>
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Monies in the assured and adequate water supply administration line item may be used only for the exclusive purposes prescribed in sections 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The department of water resources may not transfer any monies into or out of the assured and adequate water supply administration line item.

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

Monies in the adjudication support line item may be used only for the exclusive purposes prescribed in section 45-256, Arizona Revised Statutes, and section 45-257, subsection B, paragraph 4, Arizona Revised Statutes.
Statutes. The department of water resources may not transfer any monies into or out of the adjudication support line item. The department of water resources may not transfer any monies from the Colorado River legal expenses line item without prior review by the joint legislative budget committee.

The department of water resources shall use the monies in the New River flood insurance study line item to complete a study of and report on the hydrology and hydraulics of the New River from the New River Dam to the confluence with the Agua Fria River. The department may contract with an engineering firm that has not contracted with or otherwise associated with a county flood control district located in a county in this state with a population of more than one million five hundred thousand persons. On or before March 31, 2024, the department shall complete the report.

Fiscal Year 2021-2022 Appropriation Adjustments

Sec. 98. Supplemental appropriation; department of administration; risk management revolving fund; review; fiscal year 2021-2022

A. In addition to any other appropriations made in fiscal year 2021-2022, the sum of $1,110,600 is appropriated from the risk management revolving fund established by section 41-622, Arizona Revised Statutes, in fiscal year 2021-2022 to the department of administration for the following purposes:

1. To pay disallowed costs relating to excess retained earnings.
2. To pay disallowed costs relating to the statewide information technology charges.
3. For fund transfers in fiscal year 2020-2021.
4. To pay interest owed from prior-year disallowed costs.

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

Sec. 99. Supplemental appropriation; department of administration; financing agreements; notification; exemption; fiscal year 2021-2022

A. In addition to any other appropriations made in fiscal year 2021-2022, the sum of $93,500,000 is appropriated from the state general fund in fiscal year 2021-2022 to the department of administration to pay for the retirement or defeasance of the financing agreements entered into pursuant to Laws 2007, chapter 257, section 8 and Laws 2007, chapter 261, section 9.

B. The director of the department of administration shall notify the directors of the joint legislative budget committee and the governor’s office of strategic planning and budgeting not more than ten days after
each retirement or defeasance is executed as required in subsection A of this section. Each notification shall include the date and final cost of each retirement or defeasance.

C. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. Any amounts remaining after the retirements or defeasances are executed as required by subsection A of this section revert to the state general fund.

Sec. 100. Supplemental appropriation; department of child safety; federal medical assistance percentage extension; fiscal year 2021-2022

In addition to any other appropriations made in fiscal year 2021-2022, the sum of $10,105,000 is appropriated from expenditure authority in fiscal year 2021-2022 to the department of child safety operating lump sum for additional federal funding associated with the extension of an enhanced federal medical assistance percentage rate.

Sec. 101. Supplemental appropriation; department of child safety; adoption services growth; fiscal year 2021-2022

In addition to any other appropriations made in fiscal year 2021-2022, the sum of $3,300,000 is appropriated from expenditure authority in fiscal year 2021-2022 to the department of child safety adoption services line item for caseload growth.

Sec. 102. Supplemental appropriation; department of economic security; additional federal funding; fiscal year 2021-2022

In addition to any other appropriations made in fiscal year 2021-2022, the sum of $139,824,000 is appropriated from expenditure authority in fiscal year 2021-2022 to the department of economic security for additional federal funding.

Sec. 103. Supplemental appropriation; department of gaming; racetrack allocations; fiscal year 2021-2022

In addition to any other appropriations made in fiscal year 2021-2022, the sum of $396,900 is appropriated from the state general fund in fiscal year 2021-2022 to the department of gaming to enhance the general purse structure and for track maintenance and operations. The department shall allocate $330,400 to a commercial live racing permittee located in Yavapai county and $66,500 to a commercial live racing permittee located in Pima county.

Sec. 104. Supplemental appropriation; department of administration; school facilities division; building renewal grants; fiscal year 2021-2022

In addition to any other appropriations made in fiscal year 2021-2022, the sum of $93,117,000 is appropriated from the state general fund in fiscal year 2021-2022 to the building renewal grant fund
established by section 41-5731, Arizona Revised Statutes, for building
target grants in the school facilities division within the department of
administration.

Sec. 105.  Supplemental appropriations; public safety
personnel retirement system; corrections officer
retirement plan group; pension liability; report;
exemption; fiscal year 2021-2022; exemption

A. In addition to any other appropriations made in fiscal year
2021-2022, the sum of $420,559,600 is appropriated from the state general
fund in fiscal year 2021-2022 to the public safety personnel retirement
system to be deposited in the employer account of the department of public
safety public safety personnel retirement system group to reduce the
unfunded accrued liability.

B. In addition to any other appropriations made in fiscal year
2021-2022, the sum of $82,243,000 is appropriated from the state general
fund in fiscal year 2021-2022 to the public safety personnel retirement
system to be deposited in the employer account of the Arizona game and
fish department public safety personnel retirement system group to reduce
the unfunded accrued liability.

C. In addition to any other appropriations made in fiscal year
2021-2022, the sum of $15,000,000 is appropriated from the game and fish
fund established by section 17-261, Arizona Revised Statutes, in fiscal
year 2021-2022 to the public safety personnel retirement system to be
deposited in the employer account of the Arizona game and fish department
public safety personnel retirement system group to reduce the unfunded
accrued liability.

D. In addition to any other appropriations made in fiscal year
2021-2022, the sum of $474,635,300 is appropriated from the state general
fund in fiscal year 2021-2022 to the public safety personnel retirement
system to be deposited in the employer account of the state department of
corrections corrections officer retirement plan group to reduce the
unfunded accrued liability.

E. In addition to any other appropriations made in fiscal year
2021-2022, the sum of $73,940,800 is appropriated from the state general
fund in fiscal year 2021-2022 to the public safety personnel retirement
system to be deposited in the employer account of the department of
juvenile corrections corrections officer retirement plan group to reduce
the unfunded accrued liability.

F. The board of trustees of the public safety personnel retirement
system shall account for the appropriations made in this section in the
June 30, 2022 actuarial valuation of the public safety personnel
retirement system and the corrections officer retirement plan. The board
shall account for the appropriations when calculating the employee
contribution rates and employer contribution rates pursuant to section
G. Within twelve months after receiving the appropriations made in this section, the board of trustees of the public safety personnel retirement system shall transmit to the joint legislative budget committee and the governor's office of strategic planning and budgeting a comprehensive report on the actuarial assumptions for the public safety personnel retirement system and corrections officer retirement plan. The report shall analyze the current policies and potential future changes for the following actuarial assumptions: investment returns, payroll growth, inflation, cost-of-living adjustments, actuarial asset smoothing method and member experience related to mortality, service and disability. The report shall also include a comparison of the board's current and potential future actuarial assumptions to other comparable public retirement systems and generally accepted actuarial funding policies.

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

Fiscal Year 2022-2023 Appropriations

Sec. 106. Appropriations; department of administration; counties; allocations; report; fiscal year 2022-2023

A. The sum of $7,150,650 is appropriated from the state general fund in fiscal year 2022-2023 to the department of administration for distribution to counties to maintain essential county services. The department shall allocate the appropriation equally among all counties with a population of less than nine hundred thousand persons according to the 2020 United States decennial census.

B. The sum of $500,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of administration for distribution to Graham county to maintain essential county services.

C. The sum of $3,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of administration for distribution to counties to supplement the normal cost plus an amount to amortize the unfunded accrued liability pursuant to section 38-810, subsection C, Arizona Revised Statutes. The department shall allocate the appropriation equally among all counties with a population of less than three hundred thousand persons according to the 2020 United States decennial census. The counties may use these monies only for required employer contributions to the elected officials' retirement plan.

D. The sum of $7,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of administration for distribution to counties to establish a coordinated reentry planning services program.
Sec. 107. Automation projects fund; appropriations; quarterly reports; exemption; fiscal year 2022-2023

A. The sum of $15,614,300 is appropriated from the department of administration subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of administration to further develop the business one stop portal.

B. The sum of $22,397,800 is appropriated from the human resources information system subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of administration to replace the human resources information system.

C. The sum of $2,000,000 is appropriated from the department of agriculture subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the Arizona department of agriculture for cloud migration.

D. The sum of $15,819,800 is appropriated from the department of revenue subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of revenue to implement the integrated tax system modernization project. The monies appropriated in this subsection shall be spent for an integrated tax system modernization project that meets the following minimum specifications:

1. Captures data fields from electronically-filed individual and corporate income tax returns and makes the data available for querying and reporting purposes. The system shall provide the department of revenue staff, the joint legislative budget committee staff and governor's office of strategic planning and budgeting staff direct access to the querying and reporting functions. The querying and reporting functions shall include procedures to protect taxpayer confidentiality under applicable state and federal law.

2. For electronic corporate income tax returns, captures information regarding the principal business activity of the corporation. This requirement may be satisfied through North American industry classification system data listed on federal tax forms. The tax system shall allow for querying and reporting based on principal business activity.

3. Includes an integrated individual income tax model within the project and provides the department of revenue staff, the joint legislative budget committee staff and governor's office of strategic planning and budgeting staff direct access to the individual income tax model. At a minimum, the model shall allow the department of revenue staff, the joint legislative budget committee staff and governor's office of strategic planning and budgeting staff to adjust tax law parameters against an anonymized representative sample of income tax returns to
estimate the fiscal impact of proposed tax legislation. The model shall only include data from state and federal tax returns that are captured by the tax system. The individual income tax model shall include procedures to protect taxpayer confidentiality under applicable state and federal law.

4. Makes individual and corporate income tax data available for querying, modeling and reporting within twenty-four months following the end of a tax year.

Before awarding any procurement contract for the tax system, the department of revenue shall submit a report addressing the project specifications contained in this subsection for review by the joint legislative budget committee.

E. The sum of $300,000 is appropriated from the secretary of state subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the secretary of state to conduct a feasibility study to electronic records storage.

F. The sum of $1,700,000 is appropriated from the department of water resources subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of water resources to develop, modernize and consolidate the department's applications.

Quarterly Reports

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

Nonlapsing

H. The amount appropriated pursuant to this section from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2024.

Sec. 108. Department of economic security; loans; reimbursement; prohibition; fiscal year 2022-2023

On or after April 1, 2023, the department of economic security may use up to $25,000,000 from the budget stabilization fund established by section 35-144, Arizona Revised Statutes, for the purpose of providing funding for reimbursement grants. Before using the monies from the budget stabilization fund, the department shall notify the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting. This appropriation must be fully reimbursed on or before September 1, 2023 and must be reimbursed in full.
as part of the closing process for fiscal year 2022-2023. The department shall notify the joint legislative budget committee of the reimbursement on or before September 1, 2023. The appropriation may not be used for additional programmatic expenditures.

Sec. 109. Appropriation; invest in postsecondary success program fund;

The sum of $1,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of education for deposit in the invest in postsecondary success program fund established by section 15-249.18, Arizona Revised Statutes.

Sec. 110. Department of emergency and military affairs;

A. The sum of $209,205,000 is appropriated from the border security fund established by section 26-105, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of emergency and military affairs. The department of emergency and military affairs shall allocate, in consultation with the department of public safety, the following amounts:

1. $20,000,000 to Cochise county to construct a new county jail facility. The monies allocated in this paragraph are intended to fund up to twenty percent of the total jail facility construction cost but not to exceed $20,000,000. The monies allocated in this paragraph shall not be distributed until Cochise county has submitted to the director of the joint legislative budget committee, the director of the governor's office of strategic planning and budgeting and the director of the department of administration a report that the county has raised sufficient monies to fund the remainder of the project's budget. Notwithstanding section 41-1252, Arizona Revised Statutes, the monies allocated in this paragraph are not subject to review by the joint committee on capital review. Any monies allocated pursuant to this paragraph that remain unexpended and unencumbered on June 30, 2027 revert to the border security fund established by section 26-105, Arizona Revised Statutes.

2. $15,000,000 to reimburse a county or local law enforcement agency for costs incurred by the county or local law enforcement agency for participating in a program with the United States immigration and customs enforcement pursuant to 8 United States code section 1357(g).

3. $10,000,000 for deposit in the antihuman trafficking grant fund established by section 26-106, Arizona Revised Statutes. The monies shall be allocated as follows:

   (a) $2,000,000 to the department of public safety Arizona counter terrorism information center for antihuman trafficking operations that comply with the requirements prescribed in section 26-106, Arizona Revised Statutes.

   (b) $8,000,000 in award grants to city, town and county law enforcement agencies, in an amount of not more than $500,000 per agency,
for programs that reduce human trafficking and that comply with the
requirements prescribed in section 26-106, Arizona Revised Statutes.

4. $30,000,000 to distribute to cities, towns or counties for costs
associated with prosecuting and imprisoning individuals charged with drug
trafficking, human smuggling, illegal immigration and other border-related
crimes.

5. $10,000,000 for costs incurred by Arizona national guard assets
augmenting and supporting the department of public safety and local law
enforcement agencies relating to violations of the laws of this state in
the southern Arizona border region.

6. $10,000,000 for emergency health care and testing for immigrants
along the southern Arizona border.

7. $15,000,000 for transportation of individuals who entered
Arizona seeking asylum to other states in the United States, including the
cost of meals, onboard staffing and support.

8. $53,405,000 for deputy sheriff compensation to be distributed to
the department of administration for the following purposes:
   (a) $48,310,000 to counties for the purposes of a $10,000 onetime
       payment to line-level deputies and detention officers employed by each
       county sheriff's office as of May 1, 2022. The county shall distribute
       the payment to eligible employees in equal quarterly installments over two
       years. If the amount is insufficient for a $10,000 per employee payment,
       the department shall distribute a prorated amount based on the total
       number of deputies and detention officers employed. On or before August
       30, 2023 and August 30, 2024, each county sheriff shall submit a report to
       the department of administration on the actual use of the monies received
       and the most recent staffing and retention data for the positions
       receiving the payment. On or before September 30, 2023 and September 23,
       2024, the department of administration shall submit a report to the
       directors of the joint legislative budget committee and the governor's
       office of strategic planning and budgeting detailing the total amounts
       distributed by county and summarizing the individual county reports.
   (b) $5,095,000 to counties for the purposes of a $5,000 onetime
       payment to line-level deputies and detention officers hired between May 1,
       2022 and May 1, 2023. The county shall distribute the payment to eligible
       employees in equal quarterly installments over one year. On June 1, 2023,
       the department of administration shall distribute the funding to the
       counties based on the actual number of hires during this time period, as
       demonstrated by each county. If the amount is insufficient for a $5,000
       per employee payment, the department shall distribute a prorated amount
       based on the total number of hired detention officers and sheriff's
       deputies. On or before June 30, 2023, the department shall submit a
       report to the directors of the joint legislative budget committee and the
       governor's office of strategic planning and budgeting detailing the
       amounts distributed to each county.
9. $800,000 for the purposes prescribed in section 26-174, Arizona Revised Statutes, regarding the established chain of command within the Arizona state guard.
10. $30,000,000 for the construction costs of a state emergency operations center. Pursuant to section 41-1252, Arizona Revised Statutes, before spending the monies allocated in this paragraph, the department of emergency and military affairs shall submit for review by the joint committee on capital review the scope, purpose and estimated cost of the capital improvements.
11. $15,000,000 to the department of public safety for the construction costs of a southern border coordinated response center. Pursuant to section 41-1252, Arizona Revised Statutes, before spending the monies allocated in this paragraph, the department of public safety shall submit for review by the joint committee on capital review the scope, purpose and estimated cost of the capital improvements.

B. Within thirty days after the end of each calendar quarter until the monies appropriated by this section are fully expended, the department of emergency and military affairs, in consultation with the Arizona department of homeland security and the department of public safety, shall report to the joint legislative budget committee on the status of the project allocations and monies expended as prescribed by this section.
C. The department of emergency and military affairs may transfer spending authority between and within the programs and purposes listed in subsection A of this section. Before making a transfer, the department shall submit the proposed transfer to the joint legislative budget committee for review.
D. The appropriations made in subsection A of this section are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 111. Appropriation reductions; department of health services; state department of corrections; fiscal year 2022-2023
The sum of $(18,944,000) is reduced from appropriations made from the state general fund in fiscal year 2022-2023 to eliminate debt service payments following the retirement or defeasance of financing agreements entered into pursuant to Laws 2007, chapter 257, section 8 and Laws 2007, chapter 261, section 9. Of this amount:
1. The sum of $(2,973,000) is reduced from appropriations made from the state general fund in fiscal year 2022-2023 to the department of health services Arizona state hospital operating line item.
2. The sum of $(15,971,000) is reduced from appropriations made from the state general fund in fiscal year 2022-2023 to the state department of corrections operating lump sum appropriation.
Sec. 112. Phoenix convention center; allocation; fiscal year 2022-2023

Pursuant to section 9-602, Arizona Revised Statutes, $24,999,400 of state general fund revenue is allocated in fiscal year 2022-2023 to the Arizona convention center development fund established by section 9-601, Arizona Revised Statutes.

Sec. 113. Rio Nuevo multipurpose facility district; estimated distribution; fiscal year 2022-2023

Pursuant to section 42-5031, Arizona Revised Statutes, a portion of the state transaction privilege tax revenues will be distributed to a multipurpose facility district. The Rio Nuevo multipurpose facility district is estimated to receive $16,000,000 in fiscal year 2022-2023. The actual amount of the distribution will be made pursuant to section 42-5031, Arizona Revised Statutes.

Sec. 114. Appropriation; department of law; missing and murdered indigenous people; exemption; fiscal year 2022-2023

A. In addition to any other appropriations made in fiscal year 2022-2023, the sum of $2,000,000 is appropriated from the state general fund to the department of law for investigations regarding missing and murdered indigenous people.

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

Sec. 115. Appropriation; superintendent of public instruction; office of Indian education; exemption; fiscal year 2022-2023

A. The sum of $5,000,000 is appropriated from the state general fund to the superintendent of public instruction for a onetime distribution to the office of Indian education established in section 15-244, Arizona Revised Statutes.

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

Sec. 116. Appropriation; superintendent of public instruction; childhood trauma and awareness grants; fiscal year 2022-2023

The sum of $100,000 is appropriated from the state general fund in fiscal year 2022-2023 to the superintendent of public instruction for onetime childhood trauma awareness and prevention grants. The department of education may distribute the grants to a nonprofit organization that provides childhood trauma awareness and prevention training to certificated teachers and public school administrators in this state.
Sec. 117. Appropriations; universities; report; review; fiscal year 2022-2023

A. The sum of $80,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to Arizona state university and northern Arizona university for capital improvements and operating expenditures as follows:

1. Arizona state university $54,000,000
2. Northern Arizona university $26,000,000

B. Of the amount appropriated for northern Arizona university in subsection A of this section, $5,000,000 shall be used to expand program offerings on the northern Arizona university campus located in Yuma.

C. On or before August 1, 2022, each university shall report the intended use of the monies to the joint legislative budget committee.

D. Before spending the monies appropriated in subsection A of this section for capital improvements, each university shall submit the scope, purpose and estimated cost of the capital improvements for review by the joint committee on capital review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 118. Appropriation; department of veterans' services; veteran service officers; exemption; fiscal year 2022-2023

A. The sum of $2,200,000 and 20 FTE positions are appropriated from the state general fund in fiscal year 2022-2023 to the department of veterans' services to hire veteran service officers to provide services in rural tribal nations in this state that have communities that are located one hundred miles or more from the nearest United States department of veterans affairs service center.

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

Sec. 119. Appropriation; department of veterans' services; tribal ceremonies; exemption; fiscal year 2022-2023

A. The sum of $1,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of veterans' services to distribute to Indian tribes located in this state to conduct tribal ceremonies for tribal members who are discharged from the military, including those diagnosed with post-traumatic stress disorder.

B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations.
Sec. 120. Appropriations; fund balance transfers; automation projects fund; fiscal year 2022-2023

A. The sum of $15,614,300 is transferred from the state general fund in fiscal year 2022-2023 for deposit in the department of administration subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to further develop the business one stop portal.

B. The sum of $2,000,000 is transferred from the state general fund in fiscal year 2022-2023 for deposit in the Arizona department of agriculture subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, for cloud migration projects.

C. The following amounts are transferred from the following funds in fiscal year 2022-2023 for deposit in the department of revenue subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to implement the integrated tax system modernization project:
   1. $9,632,700 from the state general fund.
   2. $6,187,100 from the department of revenue integrated tax system project fund established by section 42-5041, Arizona Revised Statutes.

D. The sum of $300,000 is transferred from the records services fund established by section 41-151.12, Arizona Revised Statutes in fiscal year 2022-2023 for deposit in the secretary of state subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to conduct a feasibility study to electronic records storage.

E. The sum of $1,700,000 is transferred from the water resources fund established by section 45-117, Arizona Revised Statutes, in fiscal year 2022-2023 for deposit in the department of water resources subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes, to develop, modernize and consolidate the department's applications.

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

Sec. 121. Appropriation; fund balance transfers; risk management revolving fund; fiscal year 2022-2023

The sum of $24,624,400 from the risk management revolving fund established by section 41-622, Arizona Revised Statutes, is transferred in fiscal year 2022-2023 to the cyber risk insurance fund established by section 41-622, Arizona Revised Statutes.
Payment Deferrals

Sec. 122. Reduction in school district state aid apportionment in fiscal year 2022-2023; appropriation in fiscal year 2023-2024

A. In addition to any other appropriation reductions made in fiscal year 2022-2023, the department of education shall defer until after June 30, 2023 but not later than July 12, 2023 $800,727,700 of the basic state aid and additional state aid entitlement that otherwise would be apportioned to school districts during fiscal year 2022-2023 pursuant to section 15-973, Arizona Revised Statutes. The funding deferral required by this subsection does not apply to charter schools or to school districts with a student count of less than four thousand pupils. The department of education shall make the deferral by reducing the apportionment of state aid for each month in the fiscal year by the same amount.

B. In addition to any other appropriations made in fiscal year 2023-2024, the sum of $800,727,700 is appropriated from the state general fund in fiscal year 2023-2024 to the department of education and the superintendent of public instruction for basic state aid and additional state aid entitlement for fiscal year 2023-2024. This appropriation shall be disbursed after June 30, 2023 but not later than July 12, 2023 to the several counties for the school districts in each county in amounts equal to the reductions in apportionment of basic state aid and additional state aid that are required pursuant to subsection A of this section for fiscal year 2022-2023.

C. School districts shall include in the revenue estimates they use for computing their tax rates for fiscal year 2022-2023 the monies they will receive pursuant to subsection B of this section.

Statewide Adjustments

Sec. 123. Appropriations; operating adjustments

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<td>2. Agency rent adjustment $(2,995,600)</td>
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<td>Other funds $(2,300,000)</td>
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<td>3. Retirement payoff adjustments $(98,119,900)</td>
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<tr>
<td>Fund sources:</td>
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<td>State general fund $(98,119,900)</td>
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4. Agency retirement adjustment $ 15,118,500

   Fund sources:
      State general fund $ 17,218,500
      Other funds (2,100,000)

5. Employer health insurance contribution increase $ 103,244,800

   Fund sources:
      State general fund $ 63,244,800
      Other funds 40,000,000

6. University health insurance backfill $ 40,033,000

   Fund sources:
      State general fund $ 40,033,000

7. Human resources information system replacement charge $ 13,011,400

   Fund sources:
      State general fund $ 8,011,400
      Other funds 5,000,000

8. Information technology pro rata $ 2,618,000

   Fund sources:
      State general fund $ 1,618,000
      Other funds 1,000,000

9. State fleet rate adjustments $ 1,078,000

   Fund sources:
      State general fund $ 628,000
      Other funds 450,000

Arizona financial information system adjustments
The amount appropriated is for upgrades to the Arizona financial information system in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the Arizona financial information system collection charge. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow for the payment of Arizona financial information system charges.

Agency rent adjustments
The amount appropriated is for agency rent adjustments for agencies relocating to and within state-owned and lease-purchase buildings in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the rent adjustment. The joint legislative budget committee staff shall also
determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the agency rent adjustments.

Retirement payoff adjustments

The amount appropriated is for retirement payoff adjustments in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the retirement adjustments. The adjustments shall be $(52,037,300) for the state department of corrections and $(46,082,600) for the department of public safety.

Agency retirement adjustments

The amount appropriated is for retirement adjustments in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the agency retirement adjustments. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the agency retirement adjustments.

Employer health insurance contribution increase

The amount appropriated is for a onetime employer contribution rate increase for employee health insurance in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the health insurance contribution adjustment. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to implement the increase in employer health insurance contribution rates. The joint legislative budget committee staff shall use the overall allocation of state general fund and appropriated tuition monies for each university in determining that university's specific adjustment. The joint legislative budget committee staff shall use the overall allocation of state general fund and appropriated tuition monies for each university in determining that university's specific adjustment.

University health insurance backfill

The amount appropriated is for the onetime university health insurance backfill to backfill university tuition for health insurance employer rate increases in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department
of administration shall allocate to each university for the health insurance contribution adjustment. The legislature intends that any future employer health insurance premium increases continue to be allocated using the overall allocation of state general fund and appropriated tuition monies.

Human resources information system replacement charges

The amount appropriated is for the replacement of the human resources information system in fiscal year 2022-2023. These adjustments shall be deposited in the human resources information system subaccount in the automation projects fund established pursuant to section 41-714, Arizona Revised Statutes. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the human resources information system replacement charge. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow for the payment of human resources information system replacement charge. The human resources information system replacement statewide adjustment shall be based on each state fund's proportional share of payments to the personnel division fund established pursuant to section 41-750, Arizona Revised Statutes.

Information technology pro rata adjustment

The amount appropriated is for information technology pro rata adjustments in fiscal year 2022-2023. These adjustments reflect an increase in the information technology prorated amount from 0.43 percent to 0.61 percent. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the pro rata adjustment. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of the information technology pro rata adjustments.

State fleet rate adjustment

The amount appropriated is for state fleet rate adjustments in fiscal year 2022-2023. The joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount for the state fleet rate adjustments. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority for state fleet rate adjustments.
Sec. 124. Appropriations; salary increases; report; budget estimates; report; expenditure plan; fiscal year 2022-2023

A. In addition to any other appropriations made in fiscal year 2022-2023, the sum of $49,140,300 from the state general fund and $61,635,400 from other funds are appropriated for a ten percent salary increase for state employees other than elected officials, judges and employees in state universities, the state department of corrections, the department of juvenile corrections and the department of public safety beginning from and after July 8, 2022.

B. In addition to any other appropriations made in fiscal year 2022-2023, the sum of $116,656,800 is appropriated from the state general fund to the state department of corrections for a twenty percent salary increase for all department staff beginning from and after July 8, 2022.

C. In addition to any other appropriations made in fiscal year 2022-2023, the sum of $24,478,800 is appropriated from the state general fund to the department of public safety for a fifteen percent salary increase for all department staff beginning from and after July 8, 2022.

D. In addition to any other appropriations made in fiscal year 2022-2023, the sum of $5,154,100 is appropriated from the state general fund to the department of juvenile corrections for a twenty percent salary increase for all department staff beginning from and after July 8, 2022.

E. In addition to any other appropriations made in fiscal year 2022-2023, the following amounts are appropriated to the following agencies from the following fund sources for additional state employee salary increases in fiscal year 2022-2023:

<table>
<thead>
<tr>
<th>Agency</th>
<th>State general fund</th>
<th>Other appropriated funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona department of agriculture</td>
<td>$1,173,200</td>
<td>$0</td>
</tr>
<tr>
<td>Arizona health care cost</td>
<td>$288,300</td>
<td>$0</td>
</tr>
<tr>
<td>Department of child safety</td>
<td>$3,402,100</td>
<td>$0</td>
</tr>
<tr>
<td>Corporation commission</td>
<td>$0</td>
<td>$19,300</td>
</tr>
<tr>
<td>Department of economic security</td>
<td>$6,136,100</td>
<td>$0</td>
</tr>
<tr>
<td>Board of executive clemency</td>
<td>$44,300</td>
<td>$0</td>
</tr>
<tr>
<td>State board of funeral directors and embalmers</td>
<td>$0</td>
<td>$14,000</td>
</tr>
<tr>
<td>Department of health services</td>
<td>$2,278,900</td>
<td>$0</td>
</tr>
<tr>
<td>Department of insurance and financial institutions</td>
<td>$0</td>
<td>$109,100</td>
</tr>
<tr>
<td>Arizona judiciary</td>
<td>$553,900</td>
<td>$0</td>
</tr>
<tr>
<td>Supreme court</td>
<td>$386,500</td>
<td>$0</td>
</tr>
<tr>
<td>Court of appeals</td>
<td>$75,100</td>
<td>$0</td>
</tr>
<tr>
<td>Superior court</td>
<td>$27,800</td>
<td>$0</td>
</tr>
</tbody>
</table>
Legislature

Auditor general $ 576,600 $ 0
Department of liquor licenses $ 0 $382,100
and control
Arizona pioneers' home $ 0 $412,700

F. For the purpose of implementing subsections A and E of this section, the joint legislative budget committee staff, in consultation with the governor's office of strategic planning and budgeting staff, shall determine and the department of administration shall allocate to each agency or department an amount by fund for the salary increases. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow for the salary increases.

G. On or before September 30, 2022, the governor's office of strategic planning and budgeting shall submit a report to the joint legislative budget committee detailing the actual raises given by agency and classification pursuant to subsection E of this section.

H. The state department of corrections and the department of public safety shall submit an expenditure plan to the joint legislative budget committee for review before spending any monies appropriated by this section other than for personal services or employee-related expenditures.

I. Each budget unit that receives an increase pursuant to this section shall request an allocation of these monies by fund and by line item as an adjustment for fiscal year 2023-2024 when the budget unit submits its fiscal year 2023-2024 budget estimates pursuant to section 35-113, Arizona Revised Statutes.

Sec. 125. Department of law; general agency counsel charges; fiscal year 2022-2023

Pursuant to section 41-191.09, Arizona Revised Statutes, the following state agencies and departments are charged the following amounts in fiscal year 2022-2023 for general agency counsel provided by the department of law:

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

**Fiscal Year 2023-2024 and 2024-2025 appropriations**

**Sec. 126. Appropriation; new school facilities fund; use; fiscal year 2023-2024**

A. The sum of $31,753,900 is appropriated from the state general fund in fiscal year 2023-2024 for a one-time deposit in the new school facilities fund established by section 41-5741, Arizona Revised Statutes. The division of school facilities within the department of administration shall use the monies only for facilities that will be constructed for school districts that received final approval from the division of school facilities within the department of administration on or before December 15, 2021.

**Sec. 127. Appropriations; additional assistance; FRPL group B weight; fiscal year 2023-2024**

A. The sum of $17,978,000 is appropriated from the state general fund in fiscal year 2023-2024 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the per pupil charter additional assistance amounts prescribed in section 15-185, subsection B, paragraph 4, Arizona Revised Statutes, above the amount of charter additional assistance that otherwise would be provided by law for fiscal year 2023-2024.
B. The sum of $71,022,000 is appropriated from the state general fund in fiscal year 2023-2024 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the per pupil district additional assistance amounts prescribed in section 15-961, Arizona Revised Statutes, above the amount of district additional assistance that otherwise would be provided by law for fiscal year 2023-2024.

C. The sum of $63,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the FRPL group B weight established by section 15-943, paragraph 2, subdivision (b), Arizona Revised Statutes.

Sec. 128. **Appropriations; additional assistance; FRPL group B weight; fiscal year 2024-2025**

A. The sum of $23,836,000 is appropriated from the state general fund in fiscal year 2024-2025 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the per pupil charter additional assistance amounts prescribed in section 15-185, subsection B, paragraph 4, Arizona Revised Statutes, above the amount of charter additional assistance that otherwise would be provided by law for fiscal year 2024-2025.

B. The sum of $94,164,000 is appropriated from the state general fund in fiscal year 2024-2025 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the per pupil district additional assistance amounts prescribed in section 15-961, Arizona Revised Statutes, above the amount of district additional assistance that otherwise would be provided by law for fiscal year 2024-2025.

C. The sum of $100,000,000 is appropriated from the state general fund in fiscal year 2024-2025 to the department of education for basic state aid. The appropriated amount shall be used to fund an ongoing increase in the FRPL group B weight established by section 15-943, paragraph 2, subdivision (b), Arizona Revised Statutes.

Sec. 129. **Appropriation; state treasurer; accuracy; voter registration rolls; fiscal year 2023-2024**

The sum of $6,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the state treasurer's office for distribution to county recorders offices in counties with a population of more than two hundred thousand persons according to the 2020 United States decennial census. The state treasurer shall allocate monies to the county recorder offices proportionally based on population according to the 2020 United State decennial census. The monies shall be used by county recorders to review the accuracy of the voter registration rolls, including whether any registrations should be canceled pursuant to section 16-165, Arizona Revised Statutes.
Sec. 130. Appropriations; state treasurer; ballot paper; exemption; fiscal year 2023-2024 and 2024-2025

A. The sum of $5,000,000 is appropriated from the state general fund in fiscal year 2023-2024 and the sum of $6,000,000 is appropriated from the state general fund in fiscal year 2024-2025 to the state treasurer's office to distribute on a proportional basis to county recorders that purchase ballot paper that uses specific security features, including watermarks or unique ballot identifiers, or both.

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

Sec. 131. COVID-related expenditures; reporting requirements; intent

A. Before spending monies from the coronavirus state fiscal recovery fund and the coronavirus capital projects fund as appropriated by section 9901 of the American rescue plan act of 2021 (P.L. 117-2) in the amount of $10,000,000 or more for one designated purpose, the office of the governor shall notify the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee of the intended use of the monies.

B. Within thirty days after the last day of each calendar quarter through June 30, 2025, the office of the governor shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee the actual expenditures from the coronavirus state fiscal recovery fund and the coronavirus capital projects fund as appropriated by section 9901 of the American rescue plan act of 2021 (P.L. 117-2).

C. Before spending monies allocated to the superintendent of public instruction from the elementary and secondary school emergency relief fund as appropriated by section 2001 of the American rescue plan act of 2021 (P.L. 117-2) in the amount of $10,000,000 or more for one designated purpose, the superintendent of public instruction shall notify the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee of the intended use of the monies.

D. Within thirty days after the last day of each calendar quarter through June 30, 2025, the superintendent of public instruction shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee the actual expenditure of monies allocated to
the superintendent of public instruction from the elementary and secondary school emergency relief fund as appropriated by section 2001 of the American rescue plan act of 2021 (P.L. 117-2).

E. Within thirty days after the last day of each calendar quarter through June 30, 2025, the Arizona board of regents shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee the actual expenditure of monies from the higher education emergency relief fund as appropriated by section 2003 of the American rescue plan act of 2021 (P.L. 117-2) by Arizona state university, the university of Arizona and northern Arizona university.

F. Within thirty days after the last day of each calendar quarter through June 30, 2025, each community college district shall report to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee the actual expenditure of monies from the higher education emergency relief fund as appropriated by section 2003 of the American rescue plan act of 2021 (P.L. 117-2).

G. Reports required pursuant to this section shall delineate expenditures by agency and program and include descriptions of the purpose of the expenditures.

H. The legislature intends that the executive branch of state government report on its planned and actual use of any major additional federal aid to this state through federal legislation enacted by the end of fiscal year 2022-2023. The timing and frequency of these reports should be the same as required by subsections A through F of this section. The chairperson and vice chairperson of the joint legislative budget committee may provide recommendations to the executive branch concerning federal legislation that would qualify under this subsection.

Sec. 132. Legislative intent; expenditure reporting

The legislature intends that the executive branch of state government report on its planned and actual use of any major additional federal aid to this state through federal legislation enacted by the end of fiscal year 2022-2023. The timing and frequency of these reports should be the same as required by subsections A through F of this section. The chairperson and vice chairperson of the joint legislative budget committee may provide recommendations to the executive branch concerning federal legislation that would qualify under this subsection.

Sec. 133. FTE positions; reporting; definition

Full-time equivalent (FTE) positions contained in this act are subject to appropriation. The director of the department of
administration shall account for the use of all appropriated and nonappropriated FTE positions, excluding those in the universities. The director of the department of administration shall submit the fiscal year 2022-2023 report on or before October 1, 2023 to the director of the joint legislative budget committee. The report shall compare the level of appropriated FTE usage in each fiscal year to the appropriated level. For the purposes of this section, "FTE positions" means the total number of hours worked, including both regular and overtime hours as well as hours taken as leave, divided by the number of hours in a work year. The director of the department of administration shall notify the director of a budget unit if the budget unit's appropriated FTE usage has exceeded its number of appropriated FTE positions. Each university shall report to the director of the joint legislative budget committee in a manner comparable to the department of administration reporting.

Sec. 134. Filled FTE positions; reporting
On or before October 1, 2022, each agency, including the judiciary and universities, shall submit a report to the director of the joint legislative budget committee on the number of filled appropriated and nonappropriated FTE positions, by fund source, as of September 1, 2022.

Sec. 135. Transfer of spending authority
The department of administration shall report monthly to the director of the joint legislative budget committee any transfers of spending authority made pursuant to section 35-173, subsection C, Arizona Revised Statutes, during the prior month.

Sec. 136. Interim reporting requirements
A. State general fund revenue for fiscal year 2021-2022, including a beginning balance of $894,636,000 and other onetime revenues, is forecasted to be $17,948,800,000.
B. State general fund revenue for fiscal year 2022-2023, including onetime revenues, is forecasted to be $16,830,400,000.
C. State general fund revenue for fiscal year 2023-2024, including onetime revenues, is forecasted to be $15,789,300,000. State general fund expenditures for fiscal year 2023-2024 are forecasted to be $15,245,700,000.
D. State general fund revenue for fiscal year 2024-2025, including onetime revenues, is forecasted to be $15,881,600,000. State general fund expenditures for fiscal year 2024-2025 are forecasted to be $15,867,200,000.
E. On or before September 15, 2022, the executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2021-2022 state general fund ending balance. The estimate shall include projections of total revenues, total expenditures and an ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.
F. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee on or before October 15, 2022 whether the fiscal year 2022-2023 revenues and ending balance are expected to change by more than $50,000,000 from the budgeted projections. The joint legislative budget committee staff may make technical adjustments to the revenue and expenditure estimates in this section to reflect other bills enacted into law. The executive branch may also provide its own estimates to the joint legislative budget committee on or before October 15, 2022.

Sec. 137. Definition
For the purposes of this act, "*" means this appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 138. Definition
For the purposes of this act, "expenditure authority" means that the fund sources are continuously appropriated monies that are included in the individual line items of appropriations.

Sec. 139. Definition
For the purposes of this act, "review by the joint legislative budget committee" means a review by a vote of a majority of a quorum of the members of the joint legislative budget committee.