

Senate Engrossed
general appropriations act; 2023-2024.

State of Arizona
Senate
Fifty-sixth Legislature
First Regular Session
2023

CHAPTER 133
SENATE BILL 1720

AN ACT

AMENDING LAWS 2022, CHAPTER 313, SECTION 49; AMENDING LAWS 2022, CHAPTER 313, SECTION 126; APPROPRIATING MONIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Laws 2022, chapter 313, section 49 is amended to read:

3 Sec. 49. ARIZONA DEPARTMENT OF HOUSING

4		<u>2022-23</u>
5	FTE positions	3.0
6	Operating lump sum appropriation	\$ 322,700
7	Housing trust fund deposit	60,000,000
8	Homeless services grant pilot	<u>10,000,000</u>
9	Total appropriation – Arizona department	
10	of housing	\$ 70,322,700
11	Fund sources:	
12	State general fund	\$ 70,000,000
13	Housing trust fund	322,700

14 All monies from the housing trust fund deposit shall be distributed
15 in the form of grants, not loans, to projects in cities, towns and
16 counties in this state. Of the \$60,000,000 appropriated to the housing
17 trust fund, \$20,000,000 must be distributed to projects in counties other
18 than Maricopa and Pima counties and an additional \$4,000,000 must be
19 distributed to, **OR FOR PROJECTS ON**, the Navajo and Hopi tribal nations.

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

30 Sec. 2. Laws 2022, chapter 313, section 126 is amended to read:

31 Sec. 126. Appropriation: new school facilities fund: use:
32 fiscal year 2023-2024

33 ~~A.~~ The sum of ~~\$31,753,900~~ \$26,365,000 is appropriated from the
34 state general fund in fiscal year 2023-2024 for a onetime deposit in the
35 new school facilities fund established by section 41-5741, Arizona Revised
36 Statutes. The division of school facilities within the department of
37 administration shall use the monies only for facilities that will be
38 constructed for school districts that received final approval from the
39 division of school facilities within the department of administration on
40 or before December 15, 2021.

41 Sec. 3. Subject to applicable laws, the sums or sources of revenue
42 set forth in this act are appropriated for the fiscal years indicated and
43 only from the funding sources listed for the purposes and objects
44 specified. If monies from funding sources in this act are unavailable, no
45 other funding source may be used.

1	Sec. 4. ARIZONA STATE BOARD OF ACCOUNTANCY	
2		<u>2023-24</u>
3	FTE positions	14.0
4	Lump sum appropriation	\$ 2,236,600
5	Fund sources:	
6	Board of accountancy fund	\$ 2,236,600
7	Sec. 5. ACUPUNCTURE BOARD OF EXAMINERS	
8		<u>2023-24</u>
9	FTE positions	1.0
10	Lump sum appropriation	\$ 194,300
11	Fund sources:	
12	Acupuncture board of examiners	
13	fund	\$ 194,300
14	Sec. 6. DEPARTMENT OF ADMINISTRATION	
15		<u>2023-24</u>
16	FTE positions	539.1
17	Operating lump sum appropriation	\$ 91,914,700
18	Utilities	7,649,900
19	Arizona financial information	
20	system	14,442,100
21	Risk management administrative	
22	expenses	10,870,700
23	Risk management losses and	
24	premiums	52,436,300
25	Workers' compensation losses	
26	and premiums	28,395,000
27	Cyber risk insurance	23,037,200
28	Information technology project	
29	management and oversight	1,667,300
30	State surplus property sales	
31	agency proceeds	1,810,000
32	Employee compensation study	4,000,000
33	Health care interoperability grants	3,000,000
34	Fire incident management	
35	fund deposit	12,200,000
36	Kirkland school district	
37	distribution	300,000
38	Early literacy	250,000
39	K-12 transportation grants	15,000,000
40	Miami unified school district	
41	gym floors	350,000
42	Southwest defense contracts	25,000
43	Government transformation office	<u>2,063,000</u>
44	Total appropriation – department of	
45	administration	\$269,411,200

1	Fund sources:	
2	State general fund	\$ 44,450,900
3	Air quality fund	928,000
4	Arizona financial information	
5	system collections fund	14,442,100
6	Automation operations fund	29,901,000
7	Capital outlay stabilization fund	19,200,200
8	Corrections fund	634,600
9	Cyber risk insurance fund	23,037,200
10	Federal surplus materials revolving	
11	fund	468,500
12	Information technology fund	2,292,000
13	Personnel division fund	13,779,500
14	Risk management revolving fund	99,955,800
15	Special employee health insurance	
16	trust fund	5,719,900
17	Special services revolving fund	1,257,300
18	State surplus materials revolving	
19	fund	3,064,600
20	State web portal fund	8,465,600
21	Telecommunications fund	1,814,000

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

26 The appropriation from the automation operations fund established by
 27 section 41-711, Arizona Revised Statutes, is an estimate representing all
 28 monies, including balance forward, revenues and transfers during fiscal
 29 year 2023-2024. These monies are appropriated to the department of
 30 administration for the purposes established in section 41-711, Arizona
 31 Revised Statutes. The appropriation is adjusted as necessary to reflect
 32 monies credited to the automation operations fund for automation operation
 33 center projects. Before spending any automation operations fund monies in
 34 excess of \$29,901,000 in fiscal year 2023-2024, the department shall
 35 report the intended use of the monies to the joint legislative budget
 36 committee.

37 On or before September 1, 2024, the department shall submit a report
 38 to the joint legislative budget committee on the results of pilot projects
 39 implemented in fiscal year 2023-2024 for the state employee public
 40 transportation service reimbursements pursuant to section 41-710.01,
 41 Arizona Revised Statutes, in a vehicle emissions control area as defined
 42 in section 49-541, Arizona Revised Statutes, of a county with a population
 43 of more than four hundred thousand persons.

1 All state surplus materials revolving fund monies received by the
 2 department of administration in excess of \$3,064,600 in fiscal year
 3 2023-2024 are appropriated to the department. Before spending state
 4 surplus materials revolving fund monies in excess of \$3,064,600 in fiscal
 5 year 2023-2024, the department shall report the intended use of the monies
 6 to the joint legislative budget committee.

7 Of the amount appropriated for the Arizona financial information
 8 system line item in fiscal year 2023-2024, \$4,000,000 is exempt from the
 9 provisions of section 35-190, Arizona Revised Statutes, relating to
 10 lapsing of appropriations, until June 30, 2025.

11 On or before November 1, 2024, the department shall submit a report
 12 to the director of the joint legislative budget committee on expenditures
 13 made from the cyber risk insurance fund established by section 41-622,
 14 Arizona Revised Statutes, from the prior year.

15 On or before October 1, 2024, the department shall submit a report
 16 to the president of the senate, the speaker of the house of
 17 representatives, the chairpersons of the senate and house of
 18 representatives appropriations committees and the director of the joint
 19 legislative budget committee on the outcome of the employee compensation
 20 study.

21 The amount appropriated for the K-12 transportation grants line item
 22 in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 5 is
 23 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 24 relating to the lapsing of appropriations, until June 30, 2024.

25 The amount appropriated for the early literacy line item shall be
 26 distributed to a literacy program that places young adult role models in
 27 high-need preschool classrooms and childcare centers where they deliver
 28 targeted early literacy interventions to children who may otherwise never
 29 have had young adult role models.

30 The amount appropriated for the enduring freedom memorial repair
 31 line item in fiscal year 2021-2022 pursuant to Laws 2021, chapter 408,
 32 section 5 is exempt from the provisions of section 35-190, Arizona Revised
 33 Statutes, relating to the lapsing of appropriations, until June 30, 2024.

34 Sec. 7. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

	<u>2023-24</u>
35	
36	FTE positions 17.0
37	Operating lump sum appropriation \$ 1,647,100
38	School facilities inspections 1,000,000*
39	New school facilities debt service 9,938,100
40	Building renewal grants deposit 199,967,900
41	Santa Cruz Valley new school 2,000,000
42	New school facilities <u>116,089,400</u>
43	Total appropriation – department of
44	administration, division
45	of school facilities \$330,642,500

1 Fund sources:

2 State general fund \$330,642,500

3 Pursuant to section 35-142.01, Arizona Revised Statutes, any
 4 reimbursement received by or allocated to the division of school
 5 facilities under the federal qualified school construction bond program in
 6 fiscal year 2023-2024 shall be deposited in or revert to the state general
 7 fund.

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

12 Pursuant to section 41-5741, Arizona Revised Statutes, the amount
 13 appropriated for new school facilities shall be used only for facilities
 14 and land costs for school districts that received final approval from the
 15 division of school facilities on or before December 15, 2022.

16 The division of school facilities may also use the unencumbered
 17 balance of up to \$22,811,800 in the new school facilities fund established
 18 by section 41-5741, Arizona Revised Statutes, for facilities and land
 19 costs for school districts that received final approval from the division
 20 of school facilities on or before December 15, 2022, pursuant to section
 21 41-5741, Arizona Revised Statutes.

22 After approving a distribution of funding for a land purchase, a
 23 land lease or the construction of a new school, the division of school
 24 facilities shall report to the joint legislative budget committee and the
 25 governor's office of strategic planning and budgeting the final amount of
 26 the distribution.

27 Sec. 8. OFFICE OF ADMINISTRATIVE HEARINGS

		<u>2023-24</u>
28	FTE positions	12.0
29	Operating lump sum appropriation	\$ 998,900
30	Increased workload	<u>180,000</u>

31 Total appropriation – office of
 32 administrative hearings \$ 1,178,900

33 Fund sources:

34 State general fund \$ 1,178,900

35 The amount appropriated in the increased workload line item reverts
 36 to the state general fund if a bill addressing provider claims against
 37 insurers does not become law in the first regular session of the
 38 fifty-sixth legislature.

39 Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE

		<u>2023-24</u>
40	FTE positions	209.9
41	Operating lump sum appropriation	\$ 17,504,200

1	Agricultural employment relations	
2	board	23,300
3	Animal damage control	65,000
4	Red imported fire ant control	23,200
5	Agricultural consulting and	
6	training	<u>136,300</u>
7	Total appropriation – Arizona department	
8	of agriculture	\$ 17,752,000
9	Fund sources:	
10	State general fund	\$ 16,154,200
11	Air quality fund	1,597,800
12	Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
13		<u>2023-24</u>
14	FTE positions	2,358.3
15	Operating lump sum appropriation	\$ 137,506,600
16	Administration	
17	AHCCCS data storage	19,325,800
18	DES eligibility	97,074,500
19	Proposition 204 – AHCCCS	
20	administration	15,367,300
21	Proposition 204 – DES eligibility	44,358,700
22	<u>Medicaid services</u>	
23	Traditional medicaid services	7,978,162,400
24	Proposition 204 services	7,038,319,000
25	Adult expansion services	926,824,300
26	Comprehensive medical and	
27	dental program	203,903,500
28	KidsCare services	186,394,000
29	ALTCS services	2,680,175,800
30	Behavioral health services	
31	in schools	9,120,600
32	<u>Nonmedicaid behavioral health services</u>	
33	Crisis services	16,391,300
34	Nonmedicaid seriously mentally	
35	ill services	77,646,900
36	Supported housing	65,324,800
37	Children's behavioral health	
38	services fund deposit	250,000
39	<u>Hospital payments</u>	
40	Disproportionate share payments	5,087,100
41	Disproportionate share payments –	
42	voluntary match	69,735,200
43	Rural hospitals	41,074,400
44	Graduate medical education	426,531,500
45	Targeted investments program	26,000,000

1	On-call obstetrics and	
2	gynecological services	7,500,000*
3	Total appropriation and expenditure	
4	authority – Arizona health	
5	care cost containment system	\$20,072,073,700
6	Fund sources:	
7	State general fund	\$ 2,515,575,000
8	Budget neutrality compliance fund	4,669,300
9	Children's health insurance	
10	program fund	150,835,600
11	Prescription drug rebate	
12	fund – state	165,410,800
13	Seriously mentally ill	
14	housing trust fund	217,300
15	Substance abuse services fund	2,250,200
16	Tobacco products tax fund –	
17	emergency health services	
18	account	17,458,500
19	Tobacco tax and health care	
20	fund – medically needy account	67,258,900
21	Expenditure authority	17,148,398,100

22 Operating budget

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

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

33 Of the amount appropriated in the operating lump sum, \$700,000 from
 34 the state general fund and \$6,300,000 from expenditure authority is for
 35 replacement of the prepaid medicaid management information system and is
 36 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 37 relating to lapsing of appropriations, until June 30, 2025.

38 Before spending the monies for the replacement of the prepaid
 39 medicaid management information system, the Arizona strategic enterprise
 40 technology office shall submit, on behalf of the Arizona health care cost
 41 containment system, an expenditure plan for review by the joint
 42 legislative budget committee. The report shall include the project cost,
 43 deliverables, the timeline for completion and the method of procurement
 44 that are consistent with the department's prior reports for its
 45 appropriations from the automation projects fund.

1 Medical services and behavioral health services

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

6 The Arizona health care cost containment system administration shall
7 report to the joint legislative budget committee on or before March 1,
8 2024 on preliminary actuarial estimates of the capitation rate changes for
9 the following fiscal year along with the reasons for the estimated
10 changes. For any actuarial estimates that include a range, the total
11 range from minimum to maximum may not be more than two percent. Before
12 implementing any changes in capitation rates, the administration shall
13 report its expenditure plan for review by the joint legislative budget
14 committee. Before the administration implements any change in policy
15 affecting the amount, sufficiency, duration and scope of health care
16 services and who may provide services, the administration shall prepare a
17 fiscal impact analysis on the potential effects of this change on the
18 following year's capitation rates. If the fiscal impact analysis
19 demonstrates that this change will result in additional state costs of
20 \$1,000,000 or more for any fiscal year, the administration shall submit
21 the policy change for review by the joint legislative budget committee.

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

25 The Arizona health care cost containment system administration shall
26 transfer up to \$1,200,000 from the traditional medicaid services line item
27 for fiscal year 2023-2024 to the attorney general for costs associated
28 with e-cigarette enforcement and tobacco settlement litigation.

29 The Arizona health care cost containment system administration shall
30 transfer \$836,000 from the traditional medicaid services line item for
31 fiscal year 2023-2024 to the department of revenue for enforcement costs
32 associated with the March 13, 2013 master settlement agreement with
33 tobacco companies.

34 The amount appropriated for the ALTCS services line item includes
35 \$347,740,500 from expenditure authority to implement the American rescue
36 plan act of 2021 (P.L. 117-2) home and community-based services spending
37 plan in fiscal year 2023-2024. The administration may not use these
38 monies for marketing purposes, and any direct payments or grants provided
39 with the monies shall include a notification to the recipient that the
40 monies are onetime funding. Beginning on or before July 31, 2023, the
41 administration shall provide quarterly reports to the joint legislative
42 budget committee at the same time that the information is provided to the
43 centers for medicare and medicaid services, reflecting any changes to the
44 administration's spending plan. Of the amount appropriated for the ALTCS
45 services line item in fiscal year 2023-2024, \$347,740,500 is exempt from

1 the provisions of section 35-190, Arizona Revised Statutes, relating to
2 lapsing of appropriations.

3 On or before June 30, 2024, the Arizona health care cost containment
4 system administration shall report to the joint legislative budget
5 committee on the progress in implementing the Arnold v. Sarn lawsuit
6 settlement. The report shall include, at a minimum, the administration's
7 progress toward meeting all criteria specified in the 2014 joint
8 stipulation, including the development and estimated cost of additional
9 behavioral health service capacity in Maricopa county for supported
10 housing services for 1,200 class members, supported employment services
11 for 750 class members, eight assertive community treatment teams and
12 consumer operated services for 1,500 class members. The administration
13 shall also report by fund source the amounts it plans to use to pay for
14 expanded services.

15 Of the amount appropriated in the traditional medicaid services line
16 item, \$160,000 from the state general fund and \$326,500 from expenditure
17 authority is for pilot coverage of rapid whole genome sequencing and is
18 exempt from the provisions of section 35-190, Arizona Revised Statutes,
19 relating to lapsing of appropriations, until June 30, 2026.

20 Long-term care

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

26 Pursuant to section 11-292, subsection B, Arizona Revised Statutes,
27 the county portion of the fiscal year 2023-2024 nonfederal costs of
28 providing long-term care system services is \$366,205,400. This amount is
29 included in the expenditure authority fund source.

30 Any supplemental payments received in excess of \$101,756,900 for
31 nursing facilities that serve Arizona long-term care system medicaid
32 patients in fiscal year 2023-2024, including any federal matching monies,
33 by the Arizona health care cost containment system administration are
34 appropriated to the administration in fiscal year 2023-2024. Before
35 spending these increased monies, the administration shall notify the joint
36 legislative budget committee and the governor's office of strategic
37 planning and budgeting of the amount of monies that will be spent under
38 this provision. These payments are included in the expenditure authority
39 fund source.

40 Payments to hospitals

41 The \$5,087,100 appropriation for disproportionate share payments for
42 fiscal year 2023-2024 made pursuant to section 36-2903.01, subsection 0,
43 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
44 health care district and \$884,800 for private qualifying disproportionate
45 share hospitals.

1 Any monies received for disproportionate share hospital payments
2 from political subdivisions of this state, tribal governments and any
3 university under the jurisdiction of the Arizona board of regents, and any
4 federal monies used to match those payments, in fiscal year 2023-2024 by
5 the Arizona health care cost containment system administration in excess
6 of \$69,735,200 are appropriated to the administration in fiscal year
7 2023-2024. Before spending these increased monies, the administration
8 shall notify the joint legislative budget committee and the governor's
9 office of strategic planning and budgeting of the amount of monies that
10 will be spent under this provision.

11 The expenditure authority fund source includes voluntary payments
12 made from political subdivisions for payments to hospitals that operate a
13 graduate medical education program or treat low-income patients and for
14 payments to qualifying providers affiliated with teaching hospitals. The
15 political subdivision portions of the fiscal year 2023-2024 costs of
16 graduate medical education, disproportionate share payments – voluntary
17 match, traditional medicaid services, proposition 204 services and adult
18 expansion services line items are included in the expenditure authority
19 fund source.

20 Any monies for graduate medical education received in fiscal year
21 2023-2024, including any federal matching monies, by the Arizona health
22 care cost containment system administration in excess of \$426,531,500 are
23 appropriated to the administration in fiscal year 2023-2024. Before
24 spending these increased monies, the administration shall notify the joint
25 legislative budget committee and the governor's office of strategic
26 planning and budgeting of the amount of monies that will be spent under
27 this provision.

28 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
29 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
30 graduate medical education includes \$5,000,000 from the state general fund
31 and \$15,721,100 from expenditure authority for the direct and indirect
32 costs of graduate medical education programs located in counties with a
33 population of less than five hundred thousand persons. The state general
34 fund amount may supplement, but not supplant, voluntary payments made from
35 political subdivisions for payments to hospitals that operate a graduate
36 medical education program. The administration shall prioritize
37 distribution to programs at hospitals in counties with a higher percentage
38 of persons residing in a health professional shortage area as defined in
39 42 Code of Federal Regulations part 5.

40 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
41 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
42 graduate medical education includes \$4,000,000 from the state general fund
43 and \$12,576,900 from expenditure authority for the direct and indirect
44 costs of graduate medical education programs located in counties with a
45 population of more than five hundred thousand persons. The state general

1 fund amount may supplement, but not supplant, voluntary payments made from
2 political subdivisions for payments to hospitals that operate a graduate
3 medical education program.

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

7 The Arizona health care cost containment system administration shall
8 allocate the amount appropriated for the on-call obstetrics and
9 gynecological services line item to maintain service availability in
10 low-volume obstetric delivery areas and rural communities. The
11 administration shall distribute up to \$2,500,000 each year to qualifying
12 community health centers for the unreimbursed cost necessary to maintain
13 the availability of on-call obstetrics and gynecological services in
14 low-volume obstetric delivery areas and rural communities. The
15 administration may use up to five percent of the monies appropriated in
16 this line item for the administrative costs to implement the program. On
17 or before July 1 in 2024, 2025 and 2026, the Arizona health care cost
18 containment system administration shall submit a report to the joint
19 legislative budget committee regarding the use of the monies from the
20 on-call obstetrics and gynecological services line item, including the
21 number of deliveries and emergency procedures provided by the on-call
22 health care providers for which the monies were spent. The appropriated
23 amount for the on-call obstetrics and gynecological services line item is
24 exempt from the provisions of section 35-190, Arizona Revised Statutes,
25 relating to lapsing of appropriations, until June 30, 2026.

26 Other

27 On or before July 1, 2024, the Arizona health care cost containment
28 system administration shall report to the director of the joint
29 legislative budget committee the total amount of medicaid reconciliation
30 payments and penalties received on or before that date since July 1, 2023.

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

34 Sec. 11. ARIZONA COMMISSION ON THE ARTS

	<u>2023-24</u>
35	
36	Arizona arts trust fund deposit \$ 5,000,000
37	Fund sources:
38	State general fund \$ 5,000,000

39 Sec. 12. BOARD OF ATHLETIC TRAINING

	<u>2023-24</u>
40	
41	FTE positions 1.5
42	Lump sum appropriation \$ 150,000
43	Fund sources:
44	Athletic training fund \$ 150,000

1	Sec. 13. ATTORNEY GENERAL – DEPARTMENT OF LAW	
2		<u>2023-24</u>
3	FTE positions	671.7
4	Operating lump sum appropriation	\$ 68,308,600
5	Capital postconviction prosecution	881,400
6	Child and family advocacy centers	600,000
7	Criminal division major fraud unit	1,194,000
8	Internet crimes against children	
9	enforcement	1,271,500
10	Government accountability and	
11	special litigation	1,334,200
12	Organized retail theft	
13	task force	1,570,700
14	Opioid abatement	12,000,000
15	Risk management interagency	
16	service agreement	10,703,900
17	State grand jury	194,100
18	Southern Arizona law enforcement	1,678,900
19	Tobacco enforcement	877,600
20	Victims' rights	<u>4,023,400</u>
21	Total appropriation – attorney general –	
22	department of law	\$104,638,300
23	Fund sources:	
24	State general fund	\$ 27,437,900
25	Antitrust enforcement revolving	
26	fund	161,400
27	Attorney general legal services	
28	cost allocation fund	2,326,200
29	Collection enforcement revolving	
30	fund	7,599,300
31	Consumer protection-consumer	
32	fraud revolving fund	19,003,900
33	Consumer restitution and	
34	remediation revolving fund -	
35	consumer remediation subaccount	12,000,000
36	Interagency service agreements fund	18,199,300
37	Internet crimes against children	
38	enforcement fund	900,000
39	Risk management revolving fund	13,197,600
40	Victims' rights fund	3,812,700

41 All monies appropriated to the attorney general legal services line
 42 item in the department of child safety budget do not count toward the
 43 attorney general's interagency service agreements fund appropriation in
 44 fiscal year 2023-2024.

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

5 The appropriated amount for the operating lump sum includes a
6 onetime increase of \$3,000,000 from the consumer protection-consumer fraud
7 revolving fund established by section 44-1531.01, Arizona Revised
8 Statutes, in fiscal year 2023-2024 for operating expenses. This increase
9 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
10 relating to lapsing of appropriations.

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

14 Of the amount appropriated for the child and family advocacy centers
15 line item in fiscal year 2023-2024, \$500,000 shall be used to support an
16 entity that provides child victim advocacy and mental health services
17 through a child advocacy center that is based in a county with a
18 population of more than three million persons.

19 The \$900,000 appropriation from the internet crimes against children
20 enforcement fund established by section 41-199, Arizona Revised Statutes,
21 and the \$371,500 appropriation from the state general fund for the
22 internet crimes against children enforcement line item are continuing
23 appropriations and are exempt from the provisions of section 35-190,
24 Arizona Revised Statutes, relating to lapsing of appropriations, until
25 June 30, 2025.

26 The attorney general shall submit an expenditure plan for review by
27 the joint legislative budget committee before spending any monies
28 appropriated for the opioid abatement line item. Monies in the opioid
29 abatement line item shall be used to treat opioid use disorders, to
30 support persons who are in opioid treatment and recovery or for any other
31 specified purposes that are included in a court order or a settlement or
32 compromise that is entered into by this state and other parties to the
33 opioid litigation.

34 The \$1,570,700 appropriation for the organized retail theft task
35 force line item shall be used for operational expenses of the organized
36 retail task force and for hiring one attorney, one paralegal, two
37 investigators and one support staff person within the office of the
38 attorney general and four peace officers who are assigned to the task
39 force to focus specifically on investigating and prosecuting organized
40 retail crime.

41 Sec. 14. BARBERING AND COSMETOLOGY BOARD

42		<u>2023-24</u>
43	FTE positions	29.5
44	Lump sum appropriation	\$ 2,915,500

1	Fund sources:	
2	Barbering and cosmetology fund	\$ 2,915,500
3	Sec. 15. BOARD OF BEHAVIORAL HEALTH EXAMINERS	
4		<u>2023-24</u>
5	FTE positions	20.0
6	Lump sum appropriation	\$ 2,123,000
7	Fund sources:	
8	Board of behavioral health	
9	examiners fund	\$ 2,123,000
10	Sec. 16. STATE BOARD FOR CHARTER SCHOOLS	
11		<u>2023-24</u>
12	FTE positions	25.0
13	Lump sum appropriation	\$ 2,939,200
14	Fund sources:	
15	State general fund	\$ 2,939,200
16	Sec. 17. DEPARTMENT OF CHILD SAFETY	
17		<u>2023-24</u>
18	FTE positions	3,283.1
19	Operating lump sum appropriation	\$147,938,100
20	<u>Additional operating resources</u>	
21	Attorney general legal services	25,522,800
22	Caseworkers	124,293,500
23	Office of child welfare	
24	investigations	11,245,700
25	Training resources	9,150,000
26	<u>Out-of-home placements</u>	
27	Congregate group care	114,918,700
28	Extended foster care	26,553,900
29	Extended foster care service model	
30	fund deposit	19,243,300*
31	Foster home placement	51,929,500
32	Foster home recruitment,	
33	study and supervision	32,753,600
34	Kinship care	24,811,200
35	<u>Permanent placements</u>	
36	Adoption services	294,923,500
37	Permanent guardianship subsidy	12,516,900
38	Positive parenting program for post	
39	permanency placements pilot	4,000,000*
40	<u>Support services</u>	
41	DCS child care subsidy	61,675,400
42	In-home mitigation	28,988,100
43	Out-of-home support services	122,710,800
44	Preventive services	29,648,300

1	<u>Comprehensive health plan</u>	
2	Comprehensive health plan	
3	services	161,546,700
4	Comprehensive health plan	
5	administration	27,461,200
6	Comprehensive health plan	
7	premium tax	<u>3,857,300</u>
8	Total appropriation and expenditure	
9	authority – department of	
10	child safety	\$1,335,688,500
11	Fund sources:	
12	State general fund	\$ 496,179,600
13	Federal child care and	
14	development fund block grant	40,516,000
15	Federal temporary assistance	
16	for needy families block	
17	grant	161,082,200
18	Child abuse prevention fund	1,459,300
19	Children and family services	
20	training program fund	208,000
21	Child safety expenditure authority	442,357,400
22	Child welfare licensing fee fund	1,020,800
23	Comprehensive health plan	
24	expenditure authority fund –	
25	expenditure authority	192,865,200

26 Additional operating resources

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

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

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

37 Out-of-home placements

38 The department of child safety may transfer up to ten percent of the
 39 total amount of federal temporary assistance for needy families block
 40 grant monies appropriated to the department of economic security and the
 41 department of child safety to the social services block grant. Before
 42 transferring federal temporary assistance for needy families block grant
 43 monies to the social services block grant, the department of child safety
 44 shall report the proposed amount of the transfer to the director of the
 45 joint legislative budget committee. This report may be in the form of an

1 expenditure plan that is submitted at the beginning of the fiscal year and
2 updated, if necessary, throughout the fiscal year.

3 The amount appropriated for kinship care shall be used for a stipend
4 of \$300 per month for a relative caretaker, including a grandparent, any
5 level of great-grandparent or any nongrandparent relative, or a caretaker
6 of fictive kinship, if a dependent child is placed in the care of a
7 relative caretaker or caretaker of fictive kinship pursuant to department
8 guidelines. The department shall provide the stipend on behalf of all
9 children placed with an unlicensed kinship foster care parent. The
10 unlicensed kinship foster care parent is not required to file an
11 application to receive the stipend. Before changing the eligibility for
12 the program or the amount of the stipend, the department shall submit a
13 report for review by the joint legislative budget committee detailing the
14 proposed changes.

15 On or before March 31, 2024, the department of child safety shall
16 report to the joint legislative budget committee the number of children
17 who are part of the kinship stipend program and reside with a nonrelative
18 caretaker of fictive kinship.

19 Departmentwide

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

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

31 On or before December 1, 2023, the department of child safety shall
32 submit a report to the joint legislative budget committee on the
33 department's efforts to implement the family first prevention services act
34 of 2018. The report shall quantify the department's efforts in at least
35 the following areas, including any associated fiscal impacts:

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

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

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

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

5 Benchmarks

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

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

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

18 For the purposes of this section:

19 1. "Long-term case" means any case in which the child has been in
20 an out-of-home placement for at least eighteen months.

21 2. "Open report" means a report that is under investigation or
22 awaiting closure by a supervisor.

23 On or before February 28, 2024 and August 31, 2024, the department
24 of child safety shall present a report to the joint legislative budget
25 committee on the progress made during July 2023 through December 2023 and
26 January 2024 through June 2024, respectively, in meeting the caseload
27 standard and reducing the number of backlog and long-term cases. Each
28 report shall include the number of backlog cases, the number of open
29 reports, the number of long-term cases and the caseworker workload in
30 comparison to the previous six months. Each report shall provide the
31 number of backlog cases by disposition, including the number of backlog
32 cases in the investigation phase, the number of backlog cases associated
33 with out-of-home placements and the number of backlog cases associated
34 with in-home cases.

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

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

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

42 For long-term cases, the department's benchmark is 3,323 cases.

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

8 Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS

9			<u>2023-24</u>
10	FTE positions		5.0
11	Lump sum appropriation	\$	537,200
12	Fund sources:		
13	Board of chiropractic examiners		
14	fund	\$	537,200

15 Sec. 19. ARIZONA COMMERCE AUTHORITY

16			<u>2023-24</u>
17	Operating lump sum appropriation	\$	13,500,000
18	Arizona competes fund deposit		500,000
19	Asia trade offices		750,000
20	Asia-Pacific trade office		750,000*
21	Canada trade office		750,000*
22	Economic development marketing		
23	and attraction		1,000,000
24	Economic transition resources		9,000,000
25	Frankfurt, Germany trade office		500,000
26	Israel trade office		300,000
27	Mexico trade offices		500,000
28	Rural broadband accelerated match		
29	fund deposit		23,600,000
30	Trade office funding		2,000,000
31	Water infrastructure and commerce		
32	grant fund deposit		7,000,000
33	Wearable technology research		<u>2,500,000</u>
34	Total appropriation – Arizona commerce		
35	authority	\$	62,650,000
36	Fund sources:		
37	State general fund	\$	62,650,000

38 Pursuant to section 43-409, Arizona Revised Statutes, of the amounts
 39 listed above, \$10,500,000 of the state general fund withholding tax
 40 revenues is allocated in fiscal year 2023-2024 to the Arizona commerce
 41 authority, of which \$10,000,000 is credited to the Arizona commerce
 42 authority fund established by section 41-1506, Arizona Revised Statutes,
 43 and \$500,000 is credited to the Arizona competes fund established by
 44 section 41-1545.01, Arizona Revised Statutes.

1 Of the amount appropriated in the operating lump sum, \$3,500,000 is
2 exempt from the provisions of section 35-190, Arizona Revised Statutes,
3 relating to lapsing of appropriations, and is allocated as follows:

4 1. \$1,000,000 to distribute to a federally recognized state rural
5 development council in the national rural development partnership in this
6 state to partner with businesses, community leaders, service
7 organizations, economic development organizations and rural municipalities
8 to work directly in rural communities across this state.

9 2. \$500,000 to establish and administer a small business incubator
10 program to assist current and former inmates who are participating in a
11 state program in which the state department of corrections and the
12 department of economic security collaborate and bring comprehensive
13 services to inmates who are nearing release. On or before September 1,
14 2024, the authority shall submit a report to the directors of the joint
15 legislative budget committee and the governor's office of strategic
16 planning and budgeting on the program implementation, the number of
17 participants, the industry of employment or entrepreneurship and program
18 results, including the recidivism rates of program participants.

19 3. \$500,000 to distribute to a nonpartisan public foundation in
20 this state that is qualified under section 501(c)(3) of the internal
21 revenue code and that is associated with a statewide business trade
22 organization that is qualified under section 501(c)(6) of the internal
23 revenue code and that represents multiple industries to develop a
24 strategic framework for policymakers to continue job growth, economic
25 diversification and private sector investments that will make this state a
26 top state economy and international trading partner by 2030.

27 4. \$500,000 to distribute to a membership organization in this
28 state that is qualified under section 501(c)(6) of the internal revenue
29 code and that serves as a resource hub for all small businesses in this
30 state to establish a program to recruit and retain truck drivers.

31 5. \$1,000,000 to the Arizona state trade expansion program.

32 Monies in the economic transition resources line item shall be
33 distributed to a nonprofit organization for capital projects, economic
34 sustainability developments, renewable energy projects and broadband
35 projects located within twenty miles of a coal mine that closed within the
36 past five years.

37 The authority shall use the monies in the rural broadband
38 accelerated match fund deposit line item to provide funding for projects
39 that will receive matching monies from federal programs related to
40 broadband expansion.

41 On or before December 1, 2023, the authority shall report to the
42 president of the senate, the speaker of the house of representatives and
43 the director of the joint legislative budget committee detailing the
44 authority's implementation plan for the monies in the trade office funding
45 line item, including proposed trade office locations.

1 The authority shall distribute the monies in the wearable technology
 2 research line item to applied research centers located in this state that
 3 specialize in wearable technology, including hardware or software
 4 components, or both. Subject to available funding, the authority shall
 5 distribute monies appropriated in the wearable technology research line
 6 item to any applied research center in increments of up to \$250,000 within
 7 thirty days after the applied research center notifies the authority in
 8 writing that the applied research center has received a matching amount
 9 from sources other than this state.

10 An applied research center that receives a distribution pursuant to
 11 this section must collaborate with universities, nonprofit business
 12 associations, health science research centers, institutes or other
 13 technology businesses that do business in this state. On or before
 14 September 15, 2027, the applied research center or institute shall return
 15 to the authority all monies received by the applied research center or
 16 institute pursuant to this section that remain unexpended and unencumbered
 17 on September 1, 2027. The authority shall deposit the returned monies in
 18 the state general fund. The authority shall notify the president of the
 19 senate and the speaker of the house of representatives on or before July
 20 1, 2024 and July 1, 2025 if the authority has not distributed any monies
 21 pursuant to this section.

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

28 For the purposes of this distributing the monies in the wearable
 29 technology research line item pursuant to this section, the authority is
 30 exempt from the requirements of title 41, chapter 23, Arizona Revised
 31 Statutes.

32 The appropriation made in the wearable technology research line item
 33 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
 34 relating to lapsing of appropriations, except that any monies that remain
 35 unexpended and unencumbered on June 30, 2027 revert to the state general
 36 fund.

37 Sec. 20. ARIZONA COMMUNITY COLLEGES

	<u>2023-24</u>
38	
39	<u>Equalization aid</u>
40	Cochise \$ 9,759,600
41	Graham 19,912,000
42	Navajo 11,189,600
43	Yuma/La Paz <u>716,100</u>
44	Total – equalization aid \$ 41,577,300

1	<u>Operating state aid</u>	
2	Cochise	\$ 4,423,700
3	Coconino	1,415,900
4	Gila	151,400
5	Graham	1,661,900
6	Mohave	924,400
7	Pima	2,000,000
8	Navajo	1,346,100
9	Pinal	1,090,900
10	Yavapai	373,000
11	Yuma/La Paz	<u>2,260,700</u>
12	Total – operating state aid	\$ 15,648,000
13	<u>STEM and workforce programs state aid</u>	
14	Cochise	\$ 954,700
15	Coconino	309,500
16	Gila	88,700
17	Graham	409,700
18	Maricopa	7,927,600
19	Mohave	378,600
20	Navajo	262,500
21	Pima	1,769,000
22	Pinal	656,700
23	Santa Cruz	21,200
24	Yavapai	637,200
25	Yuma/La Paz	<u>777,700</u>
26	Total – STEM and workforce programs	
27	state aid	\$ 14,193,100
28	<u>Rural aid</u>	
29	Cochise	\$ 5,769,700
30	Coconino	1,520,600
31	Gila	439,500
32	Graham	1,917,800
33	Mohave	1,866,800
34	Navajo	1,322,400
35	Pinal	3,110,400
36	Santa Cruz	97,000
37	Yavapai	3,084,400
38	Yuma/La Paz	<u>4,871,400</u>
39	Total – rural aid	\$ 24,000,000
40	Rural county reimbursement subsidy	\$ 1,082,900
41	Arizona western college	
42	CTE workforce	15,000,000
43	Additional Gila workforce	
44	development aid	200,000

1	Diné college remedial education	1,000,000
2	Tohono O'odham community college	
3	remedial education	2,000,000
4	San Carlos Apache college	
5	remedial education	2,000,000
6	Santa Cruz provisional community	
7	college funding	<u>200,000</u>
8	Total appropriation – Arizona community	
9	colleges	\$116,901,300

10 Fund sources:

11	State general fund	\$116,901,300
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12 Of the \$1,082,900 appropriated to the rural county reimbursement
 13 subsidy line item, Apache county receives \$699,300 and Greenlee county
 14 receives \$383,600.

15 On or before October 15, 2024, the Diné college board of regents
 16 shall submit to the governor, the speaker of the house of representatives,
 17 the president of the senate, the secretary of state and the joint
 18 legislative budget committee a report that details the course completion
 19 rate for students who received remedial education during the 2023-2024
 20 academic year.

21 On or before October 15, 2024, the Tohono O'odham community college
 22 board of trustees shall submit to the governor, the speaker of the house
 23 of representatives, the president of the senate, the secretary of state
 24 and the joint legislative budget committee a report that details the
 25 course completion rate for students who received remedial education during
 26 the 2023-2024 academic year.

27 On or before October 15, 2024, the San Carlos Apache college board
 28 of regents shall submit to the governor, the speaker of the house of
 29 representatives, the president of the senate, the secretary of state and
 30 the joint legislative budget committee a report that details the course
 31 completion rate for students who received remedial education during the
 32 2023-2024 academic year.

33 Sec. 21. REGISTRAR OF CONTRACTORS

34		<u>2023-24</u>
35	FTE positions	105.6
36	Operating lump sum appropriation	\$ 12,737,000
37	Office of administrative	
38	hearings costs	<u>1,017,600</u>
39	Total appropriation – registrar of	
40	contractors	\$ 13,754,600
41	Fund sources:	
42	Registrar of contractors fund	\$ 13,754,600

1	Sec. 22. CORPORATION COMMISSION	
2		<u>2023-24</u>
3	FTE positions	301.9
4	Operating lump sum appropriation	\$ 36,288,500
5	Corporation filings, same-day	
6	service	417,000
7	Utilities audits, studies,	
8	investigations and hearings	<u>380,000*</u>
9	Total appropriation – corporation commission	\$ 37,085,500
10	Fund sources:	
11	State general fund	\$ 807,200
12	Arizona arts trust fund	58,800
13	Investment management regulatory	
14	and enforcement fund	1,312,000
15	Public access fund	8,464,500
16	Securities regulatory and	
17	enforcement fund	7,706,900
18	Utility regulation revolving fund	18,736,100
19	Sec. 23. STATE DEPARTMENT OF CORRECTIONS	
20		<u>2023-24</u>
21	FTE positions	9,569.0
22	Operating lump sum appropriation	\$ 898,184,300
23	Private prison per diem	289,858,400
24	Community corrections	27,681,200
25	Inmate health care contracted	
26	services	321,620,200
27	Substance abuse treatment	5,445,400
28	Transitional and reentry housing	5,000,000*
29	Transitional housing grants	2,000,000
30	Inmate dog training	<u>650,000</u>
31	Total appropriation – state department	
32	of corrections	\$1,550,439,500
33	Fund sources:	
34	State general fund	\$1,492,541,000
35	State education fund for	
36	correctional education	738,900
37	Alcohol abuse treatment fund	555,800
38	Penitentiary land fund	2,777,600
39	State charitable, penal and	
40	reformatory institutions	
41	land fund	2,665,100
42	Corrections fund	31,312,500

1	Transition program fund	4,400,300
2	Prison construction and	
3	operations fund	14,106,800
4	Inmate store proceeds fund	1,341,500

5 Of the amount appropriated in the operating lump sum, \$495,853,200
6 is designated for personal services, \$234,006,200 is designated for
7 employee-related expenditures and \$15,540,500 is designated for overtime
8 expenditures. The department shall submit an expenditure plan for review
9 by the joint legislative budget committee before spending these monies
10 other than for personal services or employee-related expenditures.

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

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

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

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

39 On or before November 1, 2023, the state department of corrections
40 shall provide a report on bed capacity to the joint legislative budget
41 committee. The report shall reflect the bed capacity for each security
42 classification by gender at each state-run and private institution,
43 divided by rated and total beds. The report shall include bed capacity
44 data for June 30, 2022 and June 30, 2023 and the projected capacity for
45 June 30, 2024, as well as the reasons for any change within that time

1 period. Within the total bed count, the department shall provide the
2 number of temporary and special use beds. The report shall also address
3 the department's rationale for eliminating any permanent beds rather than
4 reducing the level of temporary beds. The report shall also include any
5 plans to vacate beds but not permanently remove the beds from the bed
6 count.

7 If the department develops a plan after the department's November 1,
8 2023 report to open or close 100 or more state-operated or private prison
9 rated beds, the department shall submit a plan detailing the proposed bed
10 changes for review by the joint legislative budget committee before
11 implementing these changes.

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

16 On or before December 15, 2023 and July 15, 2024, the state
17 department of corrections shall submit a report to the joint legislative
18 budget committee on the progress made in meeting the staffing needs for
19 correctional officers. Each report shall include the number of filled
20 correctional officer positions, the number of vacant correctional officer
21 positions, the number of people in training, the number of separations and
22 the number of hours of overtime worked year-to-date. The report shall
23 detail these amounts both departmentwide and by prison complex.

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

29 Before spending any state education fund for correctional education
30 monies in excess of \$738,900, the state department of corrections shall
31 report the intended use of the monies to the director of the joint
32 legislative budget committee.

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

37 On or before August 1, 2023 and February 1, 2024, the state
38 department of corrections shall submit a report to the joint legislative
39 budget committee on the status of all inmate health care performance
40 measures that are tracked by the department for contract monitoring
41 purposes. Each report must include:

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

1 On or before August 1, 2023, the state department of corrections
2 shall transfer to the public safety personnel retirement system via the
3 department of administration its estimated required annual contribution to
4 the corrections officer retirement plan for fiscal year 2023-2024.

5 The department shall report actual fiscal year 2022-2023, estimated
6 fiscal year 2023-2024 and requested fiscal year 2024-2025 expenditures as
7 delineated in the prior year when the department submits its fiscal year
8 2024-2025 budget request pursuant to section 35-113, Arizona Revised
9 Statutes.

10 On or before July 15, 2023, the state department of corrections
11 shall submit a report to the joint legislative budget committee detailing
12 the expenditure of monies appropriated in fiscal year 2021-2022 for
13 medical staffing augmentation. The department shall continue to report on
14 July 15 of each year until all monies have been expended.

15 The amount appropriated in the transitional and reentry housing line
16 item shall be used by the state department of corrections to secure
17 through a competitive grant process a program that does all of the
18 following:

19 1. Provides evidence-based, evidence-informed and culturally
20 competent substance use treatment and substance use early intervention
21 services that includes referral services, stabilization, detox, inpatient
22 treatment, transitional residence and outpatient services to individuals
23 who may have one or a combination of the following conditions:

24 (a) Involvement with the justice system.

25 (b) A mental health diagnosis, including a diagnosis as being
26 seriously mentally ill.

27 (c) A co-occurring chronic health condition.

28 (d) Experienced homelessness or are at a high risk of becoming
29 homeless.

30 2. Provides residential inpatient treatment services for up to
31 ninety days and provides long-term recovery supportive housing for up to
32 twenty-four months after inpatient treatment services end.

33 3. Delivers forensic peer and family support services to enhance
34 and strengthen successful reentry into the community that include
35 workforce development, securing permanent housing, navigating systems of
36 care, educational and professional development opportunities, family
37 connection and reintegration services, supporting multiple pathways to
38 recovery and providing sober social activities.

39 4. Uses technology to promote long-term recovery.

40 5. Delivers treatment for reentry and long-term recovery services
41 and provides support via a campus-based continuum of care model where
42 services and support are colocated.

1 The amount appropriated in the transitional housing grants line item
2 shall be used to establish a program to provide grants to nonprofit
3 organizations that support individuals who are incarcerated by helping
4 prepare them for release and transition back into the community. To be
5 eligible for a grant, a nonprofit organization must meet all of the
6 following criteria:

7 1. Have a verifiable record of mentoring at least three thousand
8 inmates while the inmates were in prison for at least a two-year period.

9 2. Use the grant monies for individuals that have been previously
10 mentored by the nonprofit organization. To receive resources from the
11 grant, individuals being released from prison must have been mentored for
12 at least three months by the nonprofit organization while the individual
13 was in prison.

14 3. Demonstrate that the nonprofit organization can provide
15 individuals being released from prison with all of the following:

16 (a) Up to two weeks of housing at no cost to the individual, if
17 necessary as assessed by the nonprofit organization and up to six months
18 of housing at a reduced rate.

19 (b) Behavioral health services, including peer support and case
20 management.

21 (c) Assistance with obtaining government-issued documents.

22 (d) Within four months after release, assistance with securing
23 employment that offers health insurance and assistance with disenrolling
24 from the Arizona health care cost containment system.

25 On or before August 31, 2024, the department shall submit a report
26 to the governor, the president of the senate and the speaker of the house
27 of representatives that includes all of the following for the prior year:

28 1. The names of the nonprofit organizations that were awarded
29 grants.

30 2. The number of individuals who were served by the nonprofit
31 organizations through the grant program.

32 3. The number of individuals who were served by the nonprofit
33 organizations, who found employment that provides health insurance and who
34 were disenrolled from the Arizona health care cost containment system.

35 The amount appropriated in the inmate dog training line item shall
36 be used to contract with a nonprofit organization that trains inmates to
37 rehabilitate and resocialize at-risk shelter dogs. The amount
38 appropriated in the inmate dog training line item is exempt from the
39 provisions of section 35-190, Arizona Revised Statutes, relating to
40 lapsing of appropriations, until June 30, 2025.

41 Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

42		<u>2023-24</u>
43	FTE positions	11.0
44	Operating lump sum appropriation	\$ 1,382,100

1	Law enforcement crime victim	
2	notification fund deposit	10,000,000
3	Major incident regional law	
4	enforcement task force	600,000
5	State aid to county attorneys	973,700
6	State aid to indigent defense	700,000
7	State aid for juvenile dependency	
8	proceedings fund deposit	2,000,000
9	Victim compensation and assistance	<u>6,224,600</u>
10	Total appropriation – Arizona criminal	
11	justice commission	\$ 21,880,400
12	Fund sources:	
13	State general fund	\$ 14,600,000
14	Criminal justice enhancement fund	708,900
15	Resource center fund	647,100
16	State aid to county attorneys fund	973,700
17	State aid to indigent defense fund	700,000
18	Victim compensation and assistance	
19	fund	4,250,700
20	Of the \$10,000,000 appropriated in the law enforcement crime victim	
21	notification fund deposit line item, the Arizona criminal justice	
22	commission may use up to \$400,000 in fiscal year 2023-2024 to evaluate,	
23	certify and pay for any costs associated with the law enforcement crime	
24	victim notification fund established by section 41-180, Arizona Revised	
25	Statutes.	
26	All victim compensation and assistance fund monies received by the	
27	Arizona criminal justice commission in excess of \$4,250,700 in fiscal year	
28	2023-2024 are appropriated to the crime victims program. Before spending	
29	any victim compensation and assistance fund monies in excess of \$4,250,700	
30	in fiscal year 2023-2024, the Arizona criminal justice commission shall	
31	report the intended use of the monies to the joint legislative budget	
32	committee.	
33	All monies received by the Arizona criminal justice commission in	
34	excess of \$973,700 in fiscal year 2023-2024 from the state aid to county	
35	attorneys fund established by section 11-539, Arizona Revised Statutes,	
36	are appropriated to the state aid to county attorneys program. Before	
37	spending any state aid to county attorneys fund monies in excess of	
38	\$973,700 in fiscal year 2023-2024, the Arizona criminal justice commission	
39	shall report the intended use of the monies to the joint legislative	
40	budget committee.	
41	Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND	
42		<u>2023-24</u>
43	FTE positions	562.2
44	Administration/statewide	\$ 9,298,500
45	Phoenix day school for the deaf	12,098,200

1	Tucson campus	11,967,500
2	Preschool/outreach programs	7,181,200
3	School bus/agency vehicle	
4	replacement	369,000
5	Cooperative services	<u>20,125,900</u>

6 Total appropriation – Arizona state schools
 7 for the deaf and the blind \$ 61,040,300

8 Fund sources:

9	State general fund	\$ 25,571,700
10	Schools for the deaf and	
11	the blind fund	15,342,700
12	Cooperative services fund	20,125,900

13 Before spending any schools for the deaf and the blind fund monies
 14 in excess of \$15,342,700 in fiscal year 2023-2024, the Arizona state
 15 schools for the deaf and the blind shall report to the joint legislative
 16 budget committee the intended use of the monies.

17 Before spending any cooperative services fund monies in excess of
 18 \$20,125,900 in fiscal year 2023-2024, the Arizona state schools for the
 19 deaf and the blind shall report to the joint legislative budget committee
 20 the intended use of the monies.

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

22		<u>2023-24</u>
23	FTE positions	21.0
24	Operating lump sum appropriation	\$ 4,644,000
25	Support services for the	
26	deaf-blind	<u>192,000</u>

27 Total appropriation – commission for the
 28 deaf and the hard of hearing \$ 4,836,000

29 Fund sources:

30	Telecommunication fund for	
31	the deaf	\$ 4,836,000

32 The amount appropriated for the aging individuals research line item
 33 in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 26 is
 34 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 35 relating to the lapsing of appropriations, until June 30, 2024.

36 Sec. 27. STATE BOARD OF DENTAL EXAMINERS

37		<u>2023-24</u>
38	FTE positions	13.0
39	Lump sum appropriation	\$ 2,059,900
40	Fund sources:	
41	Dental board fund	\$ 2,059,900

1	Sec. 28. OFFICE OF ECONOMIC OPPORTUNITY	
2		<u>2023-24</u>
3	FTE positions	5.0
4	Operating lump sum appropriation	\$ 525,800
5	Microbusiness loan fund deposit	<u>5,000,000</u>
6	Total appropriation – office of	
7	economic opportunity	\$ 5,525,800
8	Fund sources:	
9	State general fund	\$ 5,525,800
10	Sec. 29. DEPARTMENT OF ECONOMIC SECURITY	
11		<u>2023-24</u>
12	FTE positions	4,533.8
13	Operating lump sum appropriation	\$332,426,600
14	<u>Administration</u>	
15	Attorney general legal services	11,379,800
16	<u>Aging and adult services</u>	
17	Adult services	15,731,900
18	Area agencies on aging housing	
19	assistance	5,000,000*
20	Community and emergency services	3,724,000
21	Coordinated homeless services	2,522,600
22	Coordinated hunger services	2,254,600
23	Produce incentive program	5,462,600*
24	Globe-Miami area food bank	250,000
25	Domestic violence prevention	14,004,000
26	Long-term care ombudsman	1,000,000
27	<u>Benefits and medical eligibility</u>	
28	Temporary assistance for needy	
29	families – cash benefits	22,736,400
30	Tribal pass-through funding	4,680,300
31	Diaper and incontinence products	
32	assistance	1,000,000
33	<u>Child support enforcement</u>	
34	County participation	8,539,700
35	<u>Developmental disabilities</u>	
36	DDD premium tax payment	61,199,900
37	Case management – medicaid	104,597,100
38	Home and community based	
39	services – medicaid	2,349,691,300
40	Institutional services –	
41	medicaid	47,171,500
42	Physical and behavioral	
43	health services – medicaid	541,328,700
44	Medicare clawback payments	6,055,500

1	Targeted case management – medicaid	15,321,600
2	State match transfer from AHCCCS	982,330,300
3	Case management – state-only	6,354,000
4	Home and community based	
5	services – state-only	14,089,000
6	Cost effectiveness study – client	
7	services	8,420,000
8	Arizona early intervention program	14,119,000
9	State-funded long-term care	
10	services	43,534,700
11	Group home monitoring program	1,200,000
12	Graham county rehabilitation center	830,000
13	<u>Employment and rehabilitation services</u>	
14	JOBS	11,005,600
15	Child care subsidy	187,080,200
16	Independent living rehabilitation	
17	services	1,289,400
18	Rehabilitation services	7,249,100
19	Workforce innovation	
20	and opportunity act	
21	services	<u>85,824,200</u>
22	Total appropriation and expenditure	
23	authority – department of	
24	economic security	\$4,919,403,600
25	Fund sources:	
26	State general fund	\$1,211,858,700
27	Federal child care and	
28	development fund block grant	200,010,200
29	Federal temporary assistance for	
30	needy families block grant	66,591,200
31	Long-term care system fund	33,864,200
32	Public assistance collections	
33	fund	430,400
34	Special administration fund	4,643,200
35	Spinal and head injuries trust	
36	fund	2,388,200
37	Statewide cost allocation plan	
38	fund	1,000,000
39	Child support enforcement	
40	administration fund	17,683,300
41	Domestic violence services fund	4,000,300
42	Workforce investment act grant	87,110,800

1	Child support enforcement	
2	administration fund	
3	expenditure authority	43,047,000
4	Developmental disabilities	
5	medicaid expenditure	
6	authority	3,192,363,800
7	Health care investment fund	
8	expenditure authority	54,412,300

9 Aging and adult services

10 The amount appropriated for the area agencies on aging housing
11 assistance line item shall be distributed to area agencies on aging
12 established pursuant to the older Americans act of 1965 (P.L. 89-73; 79
13 Stat. 218; 42 United States Code sections 3001 through 3058ff) for housing
14 assistance for persons who are at least sixty years of age.

15 The amount appropriated for the Globe-Miami area food bank line item
16 shall be distributed to a food bank that maintains its headquarters in the
17 Globe-Miami area.

18 All domestic violence services fund monies in excess of \$4,000,300
19 received by the department of economic security are appropriated for the
20 domestic violence prevention line item. Before spending these increased
21 monies, the department shall report the intended use of monies in excess
22 of \$4,000,300 to the joint legislative budget committee.

23 On or before December 15, 2023, the department of economic security
24 shall report to the joint legislative budget committee the amount of state
25 and federal monies available statewide for domestic violence prevention
26 funding. The report shall include, at a minimum, the amount of monies
27 available and the state fiscal agent receiving those monies.

28 Benefits and medical eligibility

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

32 Child support enforcement

33 All state shares of retained earnings, fees and federal incentives
34 in excess of \$17,683,300 received by the division of child support
35 enforcement are appropriated for operating expenditures. New FTE
36 positions are authorized with the increased funding. Before spending
37 these increased monies, the department of economic security shall report
38 the intended use of the monies to the joint legislative budget committee.

39 Developmental disabilities

40 On or before September 1, 2024, the department of economic security
41 shall report to the president of the senate, the speaker of the house of
42 representatives, the chairpersons of the senate and house of
43 representatives appropriations committees and the director of the joint
44 legislative budget committee any new placement into a state-owned ICF-IID
45 or the Arizona training program at the Coolidge campus in fiscal year

1 2023-2024 and the reason this placement, rather than a placement into a
2 privately run facility for persons with developmental disabilities, was
3 deemed as the most appropriate placement. The department shall also
4 report if no new placements were made. On or before September 1, 2024,
5 the department shall also report to the director of the joint legislative
6 budget committee the total costs associated with the Arizona training
7 program at Coolidge in fiscal year 2023-2024.

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

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

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

36 On or before November 30, 2023 and November 30, 2024, the department
37 of economic security shall submit a report to the joint legislative budget
38 committee regarding expenditures from the cost effectiveness study -
39 client services line item in the previous fiscal year. The report shall
40 include the number of clients and total amounts spent from the line item
41 in each setting type along with expenditures for those clients in other
42 line items. The report shall also include cost effectiveness spending in
43 other line items.

1 The amount appropriated for the home and community based services -
2 medicaid line item includes \$115,793,900 from expenditure authority to
3 implement the American rescue plan act of 2021 (P.L. 117-2) home and
4 community-based services spending plan in fiscal year 2023-2024. The
5 department may not use these monies for marketing purposes and any direct
6 payments or grants provided with the monies shall include a notification
7 to the recipient that the monies are onetime funding. Beginning on or
8 before July 31, 2023, the department shall provide quarterly reports to
9 the joint legislative budget committee at the same time that the
10 information is provided to the centers for medicare and medicaid services
11 reflecting any changes to the department's spending plan. Of the amount
12 appropriated for the home and community based services - medicaid line
13 item, \$115,793,900 is exempt from the provisions of section 35-190,
14 Arizona Revised Statutes, relating to lapsing of appropriations.

15 The amount appropriated for the Graham county rehabilitation center
16 line item includes \$800,000 to remodel the Graham county rehabilitation
17 center facilities in Safford and \$30,000 for an afterschool program.

18 Employment and rehabilitation services

19 On or before September 15, 2023 and March 15, 2024, the department
20 of economic security shall submit a report to the president of the senate,
21 the speaker of the house of representatives, the chairpersons of the
22 senate and house of representatives appropriations committees and the
23 joint legislative budget committee on child care development block grant
24 monies provided from the coronavirus aid, relief, and economic security
25 act, the consolidated appropriations act, 2021 and the American rescue
26 plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the
27 actual expenditures made to date by purpose and, separately, by federal
28 legislation, the expenditure plan for all remaining monies by purpose and,
29 separately, by federal legislation, the number of children served with the
30 monies on average each month, the average child care reimbursement rates
31 for the entire program, including these monies, and the number of child
32 care settings with a quality rating.

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

40 All workforce investment act grant monies that are received by this
41 state in excess of \$87,110,800 are appropriated to the workforce
42 innovation and opportunity act services line item. Before spending these
43 increased monies, the department shall report the intended use of monies
44 in excess of \$87,110,800 to the joint legislative budget committee.

1 Departmentwide

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

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

19 Sec. 30. STATE BOARD OF EDUCATION

		<u>2023-24</u>
	FTE positions	23.0
	Operating lump sum appropriation	\$ 3,155,100
	Arizona empowerment scholarship	
	account appeals	<u>221,600</u>
	Total appropriation –	
	state board of education	\$ 3,376,700
	Fund sources:	
	State general fund	\$ 3,376,700

29 Sec. 31. SUPERINTENDENT OF PUBLIC INSTRUCTION

		<u>2023-24</u>
	FTE positions	232.9
	Operating lump sum appropriation	\$ 25,633,100
	<u>Formula programs</u>	
	Basic state aid	6,138,916,800
	Onetime state aid supplement	300,000,000
	Special education fund	36,029,200
	Other state aid to districts	983,900
	Classroom site fund	1,018,912,500
	Instructional improvement fund	60,425,700
	<u>Property tax relief</u>	
	Additional state aid	511,613,100
	<u>Non-formula programs</u>	
	Accountability and achievement	
	testing	16,442,300
	Adult education	21,769,100

1	Alternative teacher development	
2	program	1,800,000
3	Arizona civics education and	
4	leadership development program	300,000
5	Arizona English language	
6	learner fund	4,960,400
7	Art consumables	10,000,000
8	Broadband expansion fund deposit	5,000,000
9	CTED certification exam fee	
10	reimbursement	1,000,000
11	CTED completion grants	1,000,000
12	CTED soft capital and equipment	1,000,000
13	College credit by examination	
14	incentive program	7,472,100
15	College placement exam fee waiver	1,265,800
16	Computer science professional	
17	development program	1,000,000
18	Center for high school success	1,000,000
19	Dual enrollment student development	
20	fund deposit	15,000,000
21	Dual enrollment teacher development	
22	fund deposit	500,000
23	Early education and career	
24	exploration program	5,000,000
25	Early literacy	18,880,000
26	Education learning and	
27	accountability system	5,447,100
28	English learner administration	6,597,100
29	Feminine hygiene products	2,000,000
30	Flagstaff robotics program	20,000
31	Geographic literacy	100,000
32	Gifted assessments	850,000
33	Gila county jail education	10,000
34	Jobs for Arizona graduates	500,000
35	Juvenile detention centers	52,600
36	K-12 transportation formula study	250,000
37	Live, remote instructional courses	100,000
38	Nonprofit education initiatives	100,000
39	Nonprofit low-income assistance	500,000
40	Phoenix science education programs	2,500,000
41	Public school campus community	
42	gardens	100,000*
43	Public school campus trees	300,000*
44	School safety program	81,992,600

1	State block grant for vocational	
2	education	11,774,700
3	Student level data access	357,900
4	Teacher certification	2,554,500
5	Teacher professional development	3,000,000
6	Tribal college dual enrollment	
7	program	325,000
8	Youth summer education program	<u>250,000</u>
9	Total appropriation and expenditure	
10	authority – superintendent	
11	of public instruction	\$8,325,585,500
12	Fund sources:	
13	State general fund	\$6,733,358,700
14	Education sales tax fund	7,000,000
15	Permanent state school fund	342,797,300
16	Teacher certification fund	2,527,900
17	Tribal college dual enrollment	
18	program fund	325,000
19	Department of education empowerment	
20	scholarship account fund	357,900
21	Expenditure authority	1,239,218,700

22 Operating lump sum

23 The appropriated amount for the operating lump sum includes a
 24 onetime increase of \$10,000,000 from the state general fund in fiscal year
 25 2023-2024 for operating expenses. The increase is exempt from the
 26 provisions of section 35-190, Arizona Revised Statutes, relating to
 27 lapsing of appropriations, until June 30, 2026.

28 Any monies available to the department of education pursuant to
 29 section 42-5029.02, subsection A, paragraph 8, Arizona Revised Statutes,
 30 for the failing schools tutoring fund established by section 15-241,
 31 Arizona Revised Statutes, in excess of the expenditure authority amounts
 32 are allocated for the purposes of section 42-5029.02, subsection A,
 33 paragraph 8, Arizona Revised Statutes.

34 Any monies available to the department of education pursuant to
 35 section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes,
 36 for character education matching grants pursuant to section 15-154.01,
 37 Arizona Revised Statutes, in excess of the expenditure authority amounts
 38 are allocated for the purposes of section 42-5029.02, subsection A,
 39 paragraph 6, Arizona Revised Statutes.

40 Basic state aid

41 The appropriation for basic state aid provides basic state support
 42 to school districts for maintenance and operations funding as provided by
 43 section 15-973, Arizona Revised Statutes, and includes an estimated
 44 \$342,797,300 in expendable income derived from the permanent state school

1 fund and from state trust lands pursuant to section 37-521, subsection B,
2 Arizona Revised Statutes, for fiscal year 2023-2024.

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

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

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

23 Other programs

24 The department of education shall allocate the appropriated amount
25 for the onetime state aid supplement to school districts and charter
26 schools on a pro rata basis using the weighted student count for the
27 school district or charter school for the fiscal year pursuant to section
28 15-943, paragraph 2, subdivision (a), Arizona Revised Statutes, and
29 increase the budget limits pursuant to section 15-947, Arizona Revised
30 Statutes, accordingly. For the purposes of this paragraph, the weighted
31 student count for a school district that serves as the district of
32 attendance for nonresident pupils shall be increased to include
33 nonresident pupils who attend school in the school district.

34 A school district may budget the monies that it receives from the
35 onetime state aid supplement line item in either the school district's
36 maintenance and operation fund or unrestricted capital outlay fund.

37 Any monies available to the department of education for the
38 classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
39 Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
40 10, Arizona Revised Statutes, in excess of expenditure authority amounts
41 are allocated for the purposes of section 37-521, subsection B, paragraph
42 4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
43 paragraph 10, Arizona Revised Statutes.

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

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

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

14 The department of education may use the appropriated amount for
15 accountability and achievement testing in fiscal year 2023-2024 for costs
16 of the English language proficiency assessments required by section
17 15-756.05, Arizona Revised Statutes.

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

25 The appropriated amount for art consumables shall be distributed for
26 grants of not more than \$1,000 per recipient to public school arts
27 teachers and any public school teachers for preschool through third grade
28 for arts supplies, materials and instructional aids that are of a
29 consumable nature as defined by the uniform system of financial records
30 prescribed by the auditor general pursuant to section 15-271, Arizona
31 Revised Statutes.

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

39 If the appropriated amount for CTED completion grants is
40 insufficient to fund all grant requests from career technical education
41 districts, the department of education shall reduce grant amounts on a
42 proportional basis in order to cap total statewide allocations at
43 \$1,000,000.

1 The appropriated amount for CTED completion grants is exempt from
2 the provisions of section 35-190, Arizona Revised Statutes, relating to
3 lapsing of appropriations, until June 30, 2025.

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

10 Before spending the \$6,880,000 increase in the appropriated amount
11 for the early literacy line item for literacy coaches, kindergarten entry
12 assessments, dyslexia training or science of reading exams, the department
13 of education shall submit an expenditure plan to the joint legislative
14 budget committee and the governor's office of strategic planning and
15 budgeting. The department shall report its actual expenditures for the
16 early literacy line item for literacy coaches, kindergarten entry
17 assessments, dyslexia training and science of reading exams to the joint
18 legislative budget committee on or before July 31, 2024.

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

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

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

39 The appropriated amount for juvenile detention centers includes
40 \$22,600 for Yavapai county, \$20,000 for Pinal county and \$10,000 for
41 Maricopa county.

42 The appropriated amount for the K-12 transportation formula study
43 shall be used to develop a per pupil weighted transportation funding
44 formula for K-12 students. The appropriated amount shall be used only for
45 the costs associated with developing the per pupil weighted transportation

1 formula. On or before December 31, 2023, the department of education
2 shall submit a report to the president of the senate, the speaker of the
3 house of representatives, the chairpersons of the senate and house of
4 representatives education committees, the director of the joint
5 legislative budget committee and the director of the governor's office of
6 strategic planning and budgeting that includes at least the following
7 information:

8 1. The amount determined to be the per pupil base transportation
9 amount for every K-12 student.

10 2. The appropriate weight for students with extraordinary needs.

11 3. The appropriate weight for students in grades nine through
12 twelve.

13 4. The appropriate weight for foster and homeless students.

14 5. The appropriate sparsity weight for rural, remote and isolated
15 students, including long-distance open enrollment students.

16 The appropriated amount for live, remote instructional courses is
17 exempt from the provisions of section 35-190, Arizona Revised Statutes,
18 relating to lapsing of appropriations, until December 31, 2025.

19 The department of education shall distribute the appropriated amount
20 for nonprofit education initiatives to a nonprofit organization based in
21 Scottsdale that is qualified under section 501(c)(3) of the internal
22 revenue code and that provides scholarships and other educational
23 programming and promotes youth activities, sports and cultural enrichment.

24 The department of education shall distribute the appropriated amount
25 for nonprofit low-income assistance to a nonprofit organization that is
26 qualified under section 501(c)(3) of the internal revenue code and that
27 provides low-income children in kindergarten programs and grades one
28 through eight with new clothing and shoes, hygiene kits, and new books.

29 The department of education shall distribute the appropriated amount
30 for public school campus trees for grants to public schools to plant
31 low-biogenic volatile organic compound-emitting trees on school campuses
32 that are appropriate for each school's respective climate. Until December
33 31, 2023, the department shall distribute the appropriated amount on a
34 first-come, first-served basis only to public schools in this state at
35 which seventy-five percent or more of the students are eligible for free
36 or reduced-price lunches under the national school lunch and child
37 nutrition acts (42 United States Code sections 1751 through 1793). If any
38 monies remain undistributed from and after December 31, 2023, the
39 department shall distribute the monies on a first-come, first-served basis
40 to public schools in this state. The department may require each public
41 school that receives grant monies to issue a report regarding the school's
42 use of monies received. A public school that receives monies from the
43 department may partner with nonprofit organizations to plant the trees on
44 the school's campus.

1 The amount appropriated for the school safety program in fiscal year
2 2022-2023 pursuant to Laws 2022, chapter 313, section 31 included an
3 increase of \$50,000,000 for additional school safety grants. In
4 allocating the \$50,000,000 increase, the department of education shall
5 first distribute monies to schools on the school safety program waiting
6 list to receive grants for the costs of placing school resource officers
7 on school campuses. The awarded grants may not supplant funding provided
8 by local governments for school resource officers. If the total cost of
9 funding grants for school resource officer costs is less than \$50,000,000,
10 the department may allocate the remaining monies to grants to schools for
11 the costs of placing school counselors and social workers on school
12 campuses pursuant to section 15-154, Arizona Revised Statutes.

13 Any monies available to the department of education for school
14 safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona
15 Revised Statutes, in excess of the expenditure authority amounts are
16 allocated for the purposes of section 42-5029.02, subsection A, paragraph
17 6, Arizona Revised Statutes.

18 The department shall distribute the appropriated amount for Phoenix
19 science education programs to an organization that is based in Phoenix and
20 that provides science, technology, engineering and math education programs
21 and professional development training.

22 The department shall distribute the appropriated amount for the
23 youth summer education program to a nonprofit organization that is based
24 in Globe and that provides summer education programs for youth.

25 After review by the joint legislative budget committee, in fiscal
26 year 2023-2024, the department of education may use a portion of its
27 fiscal year 2023-2024 state general fund appropriations for basic state
28 aid, additional state aid or the special education fund to fund a
29 shortfall in funding for basic state aid, additional state aid or the
30 special education fund, if any, that occurred in fiscal year 2022-2023.

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

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

1	Sec. 32. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS	
2		<u>2023-24</u>
3	FTE positions	65.1
4	Administration	\$ 2,558,000
5	Emergency management	876,800
6	Emergency management matching funds	1,544,900
7	Emergency hazard mitigation	1,333,300
8	Federal government matching repayment	759,200
9	Hazard mitigation assistance	462,900
10	Military affairs	2,142,200
11	National guard matching funds	3,370,000
12	National guard uniform allowance	300,000
13	National guard tuition	
14	reimbursement	1,000,000
15	Hazard mitigation revolving	
16	fund deposit	<u>200,000</u>
17	Total appropriation – department of	
18	emergency and military affairs	\$ 14,547,300
19	Fund sources:	
20	State general fund	\$ 14,547,300
21	The \$3,370,000 national guard matching funds appropriation is exempt	
22	from the provisions of section 35-190, Arizona Revised Statutes, relating	
23	to lapsing of appropriations, except that all fiscal year 2023-2024 monies	
24	remaining unexpended and unencumbered on December 31, 2024 revert to the	
25	state general fund.	
26	The \$759,200 federal government matching repayment appropriation is	
27	exempt from the provisions of section 35-190, Arizona Revised Statutes,	
28	relating to lapsing of appropriations, except that all fiscal year	
29	2023-2024 monies remaining unexpended and unencumbered on December 31,	
30	2024 revert to the state general fund.	
31	The appropriated amount for the national guard tuition reimbursement	
32	line item is exempt from the provisions of section 35-190, Arizona Revised	
33	Statutes, relating to lapsing of appropriations, until September 30, 2024.	
34	Of the amount appropriated to the department of emergency and	
35	military affairs for onetime maintenance backfill in fiscal year 2022-2023	
36	pursuant to Laws 2022, chapter 313, section 32, \$13,300,000 from the state	
37	general fund is exempt from the provisions of section 35-190, Arizona	
38	Revised Statutes, relating to lapsing of appropriations.	
39	Sec. 33. DEPARTMENT OF ENVIRONMENTAL QUALITY	
40		<u>2023-24</u>
41	FTE positions	355.7
42	Operating lump sum appropriation	\$ 73,050,000
43	Direct potable reuse of treated	
44	wastewater program	1,500,000
45	Safe drinking water program	1,998,500

1	Water quality fee fund deposit	9,500,000
2	PFAS mitigation	5,000,000*
3	Emissions control contractor	
4	payment	<u>26,219,500</u>
5	Total appropriation – department of	
6	environmental quality	\$117,268,000
7	Fund sources:	
8	State general fund	\$ 16,000,000
9	Air quality fund	5,830,900
10	Emergency response fund	132,800
11	Emissions inspection fund	30,484,400
12	Hazardous waste management fund	1,946,600
13	Indirect cost fund	18,629,000
14	Permit administration fund	7,285,600
15	Recycling fund	4,522,400
16	Safe drinking water program	
17	fund	1,998,500
18	Solid waste fee fund	2,589,600
19	Water quality fee fund	27,848,200

20 On or before July 31, 2024, the department of environmental quality
 21 shall report to the joint legislative budget committee on its progress
 22 expending monies for PFAS mitigation, including funded projects,
 23 anticipated projects and outcomes as a result of mitigation efforts. The
 24 report shall include details about the scope and location of the projects.

25 The department of environmental quality shall report annually on the
 26 progress of WQARF activities, including emergency response, priority site
 27 remediation, cost recovery activity, revenue and expenditure activity and
 28 other WQARF-funded program activity. The department shall submit the
 29 fiscal year 2023-2024 report to the joint legislative budget committee on
 30 or before September 1, 2023. This report shall also include a budget for
 31 the WQARF program that is developed in consultation with the WQARF
 32 advisory board. This budget shall specify the monies budgeted for each
 33 listed site during fiscal year 2023-2024. In addition, the department and
 34 the WQARF advisory board shall prepare and submit to the joint legislative
 35 budget committee, on or before October 1, 2023, a report in a table format
 36 summarizing the current progress on remediation of each listed site on the
 37 WQARF registry. The table shall include the stage of remediation for each
 38 site at the end of fiscal year 2022-2023, indicate whether the current
 39 stage of remediation is anticipated to be completed in fiscal year
 40 2023-2024 and indicate the anticipated stage of remediation at each listed
 41 site at the end of fiscal year 2023-2024, assuming fiscal year 2023-2024
 42 funding levels. The department and the WQARF advisory board may include
 43 other relevant information about the listed sites in the table.

1 All permit administration fund monies received by the department of
 2 environmental quality in excess of \$7,285,600 in fiscal year 2023-2024 are
 3 appropriated to the department. Before spending permit administration
 4 fund monies in excess of \$7,285,600 in fiscal year 2023-2024, the
 5 department shall report the intended use of the monies to the joint
 6 legislative budget committee.

7 All monies in the department of environmental quality indirect cost
 8 fund, including the beginning balance, that are in excess of \$18,629,000
 9 in fiscal year 2023-2024 are appropriated to the department. Before
 10 spending indirect cost fund monies in excess of \$18,629,000 in fiscal year
 11 2023-2024, the department shall report the intended use of the monies to
 12 the joint legislative budget committee.

13 Sec. 34. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

14			<u>2023-24</u>
15	FTE positions		5.0
16	Lump sum appropriation	\$	311,400
17	Fund sources:		
18	Personnel division fund	\$	311,400

19 Sec. 35. STATE BOARD OF EQUALIZATION

20			<u>2023-24</u>
21	FTE positions		7.0
22	Lump sum appropriation	\$	737,900
23	Fund sources:		
24	State general fund	\$	737,900

25 Sec. 36. BOARD OF EXECUTIVE CLEMENCY

26			<u>2023-24</u>
27	FTE positions		14.5
28	Lump sum appropriation	\$	1,426,300
29	Fund sources:		
30	State general fund	\$	1,426,300

31 On or before November 1, 2023, the board of executive clemency shall
 32 report to the directors of the joint legislative budget committee and the
 33 governor's office of strategic planning and budgeting the total number and
 34 types of cases the board reviewed in fiscal year 2022-2023.

35 Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

36			<u>2023-24</u>
37	FTE positions		184.0
38	Lump sum appropriation	\$	16,056,800
39	Fund sources:		
40	Arizona exposition and state		
41	fair fund	\$	16,056,800

42 Of the monies in the Arizona exposition and state fair board
 43 operating budget, \$2,000,000 shall be spent for enhanced state fair
 44 operations. Before spending monies in the operating budget on capital
 45 projects, the board shall submit a report for review by the joint

1 committee on capital review on the scope, purpose and estimated cost of
 2 the capital improvements.

3 Of the monies appropriated to the Arizona exposition and state fair
 4 board in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
 5 37, \$2,300,000 of the lump sum appropriation is exempt from the provisions
 6 of section 35-190, Arizona Revised Statutes, relating to lapsing of
 7 appropriations, until June 30, 2024.

8 Sec. 38. ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT

	<u>2023-24</u>
9	
10	FTE positions 235.5
11	Operating lump sum appropriation \$ 3,937,200
12	Environmental county grants 250,000
13	Inmate firefighting crews 869,600
14	Postrelease firefighting crews 1,282,700
15	Fire suppression 200,000
16	State fire marshal 1,795,600
17	State fire school 289,100
18	Fire district grants 5,000,000*
19	Hazardous vegetation removal 3,040,300
20	US forest service land thinning 1,660,900
21	Wildfire mitigation <u>32,049,700</u>
22	Total appropriation – Arizona department
23	of forestry and fire management \$ 50,375,100
24	Fund sources:
25	State general fund \$ 50,375,100

26 The appropriation for the hazardous vegetation removal line item is
 27 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 28 relating to lapsing of appropriations, until June 30, 2025.

29 Monies in the fire district grants line item shall be used by the
 30 Arizona department of forestry and fire management to establish a program
 31 to provide grants to fire districts in this state. The department may use
 32 up to two percent of the monies in the fire district grants line item to
 33 administer the program. Grant applications shall be prioritized based on
 34 the need of the fire district and average response times of the fire
 35 district. A fire district may use fire district grant monies to:

- 36 1. Purchase capital equipment necessary to respond to public safety
 37 emergencies, including fire engines, ambulances, radio telecommunications,
 38 uniforms and equipment.
- 39 2. Construct or renovate fire stations.
- 40 3. Purchase and provide emergency alert services that are available
 41 through a mobile application or other means.

1	Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS	
2		<u>2023-24</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 476,800
5	Fund sources:	
6	Board of funeral directors' and	
7	embalmers' fund	\$ 476,800
8	Sec. 40. ARIZONA GAME AND FISH DEPARTMENT	
9		<u>2023-24</u>
10	FTE positions	273.5
11	Operating lump sum appropriation	\$48,091,600
12	Pittman-Robertson/Dingell-Johnson	
13	act	<u>3,058,000</u>
14	Total appropriation – Arizona game and fish	
15	department	\$51,149,600
16	Fund sources:	
17	Capital improvement fund	\$ 1,001,200
18	Game and fish fund	44,516,200
19	Wildlife endowment fund	16,200
20	Watercraft licensing fund	5,226,800
21	Game, nongame, fish and	
22	endangered species fund	389,200
23	Sec. 41. DEPARTMENT OF GAMING	
24		<u>2023-24</u>
25	FTE positions	155.8
26	Operating lump sum appropriation	\$ 13,740,100
27	Arizona breeders' award	250,000
28	Casino operations certification	2,308,700
29	County fairs livestock and	
30	agriculture promotion	6,029,500
31	Division of racing	2,431,200
32	Contract veterinarian	175,000
33	Event wagering application	
34	fee refund	600,000
35	Horseracing integrity and safety	
36	act assessment	355,100
37	Racetrack capital projects and	
38	maintenance and operation funding	1,000,000
39	Racing purse enhancement	5,000,000
40	Problem gambling	<u>3,320,000</u>
41	Total appropriation – department of gaming	\$ 35,209,600
42	Fund sources:	
43	State general fund	\$ 13,159,600
44	Fantasy sports contest fund	150,100
45	Tribal-state compact fund	2,308,700

1	Arizona benefits fund	16,610,000
2	State lottery fund	300,000
3	Racing regulation fund	2,576,600
4	Racing regulation fund – unarmed	
5	combat subaccount	104,600

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

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

16 On or before August 1, 2023, the department of gaming shall report
17 to the directors of the joint legislative budget committee and the
18 governor's office of strategic planning and budgeting on the expected
19 amount and purpose of expenditures from the event wagering fund
20 established by section 5-1318, Arizona Revised Statutes, for fiscal year
21 2023-2024. The report shall include the projected line item detail and
22 the number of filled full-time equivalent positions.

23 On or before the final day of each quarter of fiscal year 2023-2024,
24 the department of gaming shall report to the members of the joint
25 legislative budget committee on the number of equine deaths and injuries
26 that occurred as a result of a horse race and the commercial live racing
27 facility where each incident occurred. The report shall include the number
28 of pre-race inspections performed by a veterinarian employed by or
29 contracted with this state.

30 The amount appropriated to the horseracing integrity and safety act
31 assessment line item shall be distributed to commercial live racing
32 permittees during fiscal year 2023-2024 to pay the calendar year 2023
33 assessment levied by the horseracing integrity and safety authority. If
34 the appropriated amount for the horseracing integrity act assessment line
35 item is insufficient to fund all assessments levied by the horseracing
36 integrity and safety authority, the department shall reduce the
37 distribution amounts on a proportional basis in order to cap total
38 statewide distributions at \$355,100. The distributions for fiscal year
39 2023-2024 are estimated to be \$309,300 to a commercial live racing
40 permittee located in Maricopa county and \$45,800 to a commercial live
41 racing permittee located in Yavapai county.

42 The appropriation made in the racetrack capital projects and
43 maintenance and operation funding line item shall be distributed to
44 commercial live racing permittees for capital projects and track
45 maintenance and operations, including costs associated with the compliance

1 costs associated with the horseracing integrity and safety act of 2020
 2 (P.L. 116-260; 134 Stat. 3252; 15 United States Code sections 3051 through
 3 3060). From the amount appropriated in the racetrack capital projects and
 4 maintenance and operations funding line item, the department of gaming
 5 shall allocate \$1,000,000 to a commercial live racing permittee located in
 6 Maricopa county.

7 Sec. 42. OFFICE OF THE GOVERNOR

	<u>2023-24</u>
8	
9	Operating lump sum appropriation \$ 9,922,700*
10	Missing and murdered indigenous
11	people task force 1,000,000
12	Foster youth education success
13	fund deposit <u>1,500,000</u>
14	Total appropriation – office of the governor \$ 12,422,700

15 Fund sources:

16	State general fund \$ 12,422,700
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17 Included in the operating lump sum appropriation of \$9,922,700 for
 18 fiscal year 2023-2024 is \$10,000 for the purchase of mementos and items
 19 for visiting officials.

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

	<u>2023-24</u>
21	
22	FTE positions 22.0
23	Lump sum appropriation \$ 2,961,400*
24	Fund sources:
25	State general fund \$ 2,961,400

26 Sec. 44. DEPARTMENT OF HEALTH SERVICES

	<u>2023-24</u>
27	
28	FTE positions 1,145.0
29	Operating lump sum appropriation \$ 60,922,300
30	<u>Public health/family health</u>
31	Adult cystic fibrosis care 105,200
32	AIDS reporting and surveillance 1,000,000
33	Alzheimer's disease research 4,125,000
34	Behavioral health care provider
35	loan repayment program 1,000,000
36	Biomedical research support 2,000,000
37	Breast and cervical cancer and
38	bone density screening 1,369,400
39	Collaborative care uptake
40	fund deposit 1,000,000
41	County tuberculosis provider
42	care and control 590,700
43	Dementia awareness campaign 750,000*
44	Dementia services program and
45	Alzheimer's disease state plan 964,100

1	Fentanyl testing strips and	
2	mass spectrometers	300,000
3	Folic acid program	400,000
4	Health crisis review centers and	
5	wraparound services	5,000,000
6	High-risk perinatal services	2,343,400
7	Newborn screening program	12,388,500
8	Nonrenal disease management	198,000
9	Nurse-family partnership programs	2,500,000
10	Arizona nurse education investment	
11	pilot program	15,000,000
12	Nursing care special projects	200,000
13	Poison control centers funding	990,000
14	Preceptor grant program for graduate	
15	students	500,000
16	Psilocybin research	5,000,000
17	Renal dental care and nutrition	
18	supplements	300,000
19	Renal transplant drugs	183,000
20	Trauma recovery center fund deposit	7,000,000
21	<u>Arizona state hospital</u>	
22	Arizona state hospital –	
23	operating	87,043,700
24	Arizona state hospital –	
25	restoration to competency	900,000
26	Arizona state hospital –	
27	sexually violent persons	<u>10,951,800</u>
28	Total appropriation – department of	
29	health services	\$225,025,100
30	Fund sources:	
31	State general fund	\$166,983,600
32	Arizona state hospital fund	3,145,800
33	Arizona state hospital land fund	650,000
34	Child fatality review fund	196,500
35	Disease control research fund	1,000,000
36	DHS indirect cost fund	12,298,700
37	Emergency medical services	
38	operating fund	4,167,900
39	Environmental laboratory licensure	
40	revolving fund	1,001,700
41	Federal child care and development	
42	fund block grant	998,600
43	Health services licensing fund	16,960,500
44	Newborn screening program fund	12,821,300

1	Nursing care institution resident	
2	protection revolving fund	238,200
3	Tobacco tax and health care	
4	fund – medically needy account	700,000
5	Vital records electronic systems	
6	fund	3,862,300
7	<u>Public health/family health</u>	

8 Of the amount appropriated for the operating lump sum, \$100,000
9 shall be used for a suicide prevention coordinator to assist school
10 districts and charter schools in suicide prevention efforts. On or before
11 September 1, 2024, the department of health services, in consultation with
12 the department of education, shall report to the governor, the president
13 of the senate, the speaker of the house of representatives, the director
14 of the joint legislative budget committee and the director of the
15 governor's office of strategic planning and budgeting on the suicide
16 prevention coordinator's accomplishments in fiscal year 2023-2024.

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

20 The appropriated amount for the dementia services program and
21 Alzheimer's disease state plan line item is exempt from the provisions of
22 section 35-190, Arizona Revised Statutes, relating to lapsing of
23 appropriations, until June 30, 2026. The legislature intends that the
24 appropriation be used for fiscal years 2023-2024, 2024-2025 and 2025-2026.

25 The department of health services shall distribute monies
26 appropriated for the biomedical research support line item to a nonprofit
27 medical research institute headquartered in this state that specializes in
28 biomedical research focusing on applying genomic technologies and
29 sequencing to clinical care, that has served as a resource to this state
30 to conduct molecular epidemiologic analyses to assist with disease
31 outbreak investigations and that collaborates with universities, hospitals
32 and health science research centers and other public and private
33 bioscience and related industries in this state. The recipient of these
34 monies shall commission an audit of the expenditure of these monies and
35 shall submit a copy of the audit to the department of health services on
36 or before February 1, 2025.

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

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

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

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

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

13 Of the amount appropriated to the department of health services for
14 the behavioral health care provider loan repayment program in fiscal year
15 2022-2023 pursuant to Laws 2022, chapter 313, section 44, \$1,000,000 from
16 the state general fund is exempt from the provisions of section 35-190,
17 Arizona Revised Statutes, relating to lapsing of appropriations, until
18 June 30, 2024.

19 The amount appropriated to the department of health services for the
20 preceptor grant program for graduate students is exempt from the
21 provisions of section 35-190, Arizona Revised Statutes, relating to the
22 lapsing of appropriations. Any monies remaining unexpended on July 1,
23 2026 revert to the state general fund.

24 The amount appropriated in the trauma recovery center fund deposit
25 line item shall be deposited in the trauma recovery center fund
26 established by section 36-4102, Arizona Revised Statutes and is
27 appropriated from the fund for the purposes of that section. Not more
28 than five percent of the monies deposited in the fund may be used by the
29 department of health services to administer the fund. The department
30 shall use the remaining monies to provide all of the following:

31 1. A technical assistance grant to help establish, train and
32 coordinate a state pilot trauma recovery center.

33 2. Three years of operational and service costs of the state pilot
34 trauma recovery center.

35 3. A grant to a public research institution to track data and
36 outcomes of the state pilot trauma recovery center and to produce a report
37 at the conclusion of the pilot.

38 Arizona state hospital

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

43 Departmentwide

44 The department of health services shall electronically forward to
45 the president of the senate, the speaker of the house of representatives,

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

10 Sec. 45. ARIZONA HISTORICAL SOCIETY

		<u>2023-24</u>
11		
12	FTE positions	50.9
13	Operating lump sum appropriation	\$ 2,585,100
14	Field services and grants	65,800
15	Papago park museum	<u>563,800</u>
16	Total appropriation – Arizona historical	
17	society	\$ 3,214,700
18	Fund sources:	
19	State general fund	\$ 3,214,700

20 Sec. 46. PRESCOTT HISTORICAL SOCIETY

		<u>2023-24</u>
21		
22	FTE positions	13.0
23	Lump sum appropriation	\$ 1,016,100
24	Fund sources:	
25	State general fund	\$ 1,016,100

26 Sec. 47. ARIZONA DEPARTMENT OF HOMELAND SECURITY

		<u>2023-24</u>
27		
28	FTE positions	20.0
29	Statewide information security	
30	and privacy operations and	
31	controls	\$ 11,325,300
32	Antihuman trafficking grant	
33	fund deposit	10,000,000
34	Arizona state nonprofit security grant	
35	program fund deposit	5,000,000
36	Statewide cybersecurity grants	<u>10,000,000</u>
37	Total appropriation – Arizona department of	
38	homeland security	\$ 36,325,300
39	Fund sources:	
40	State general fund	\$ 25,000,000
41	Information technology fund	11,325,300

42 Of the amount appropriated for statewide cybersecurity grants, the
 43 Arizona department of homeland security may spend up to \$310,000 for grant
 44 administration.

1 The amount appropriated in the antihuman trafficking grant fund
 2 deposit line item shall be deposited in the antihuman trafficking grant
 3 fund. The Arizona department of homeland security shall distribute these
 4 monies as follows:

5 1. \$2,000,000 to the department of public safety Arizona counter
 6 terrorism information center for antihuman trafficking operations that
 7 work to reduce human trafficking by providing assistance and analytical
 8 services to law enforcement agencies or that provide services to victims
 9 and training to law enforcement agencies, prosecutorial agencies and the
 10 public on preventing and identifying human trafficking.

11 2. \$8,000,000 in award grants to municipal and county law
 12 enforcement agencies, not to exceed \$500,000 per agency, for programs that
 13 reduce human trafficking.

14 The amount appropriated in the nonprofit security grant program fund
 15 deposit line item shall be deposited in the nonprofit security grant
 16 program fund. Not more than five percent of the monies deposited in the
 17 fund may be used by the Arizona department of homeland security to
 18 administer the nonprofit security grant program.

19 Of the amount appropriated in the statewide information security and
 20 privacy operations and controls line item in fiscal year 2022-2023
 21 pursuant to Laws 2022, chapter 313, section 47, \$300,000 is exempt from
 22 the provisions of section 35-190, Arizona Revised Statutes, relating to
 23 the lapsing of appropriations, until June 30, 2024.

24 Sec. 48. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

		<u>2023-24</u>
25		
26	FTE positions	1.0
27	Lump sum appropriation	\$ 51,900
28	Fund sources:	
29	Board of homeopathic and	
30	integrated medicine	
31	examiners' fund	\$ 51,900

32 Sec. 49. ARIZONA DEPARTMENT OF HOUSING

		<u>2023-24</u>
33		
34	FTE positions	3.0
35	Operating lump sum appropriation	\$ 367,400
36	Housing trust fund deposit	150,000,000
37	Homeless shelter and services	
38	fund deposit	40,000,000
39	Mobile home relocation fund deposit	5,000,000
40	Military transitional housing	
41	fund deposit	<u>1,900,000</u>
42	Total appropriation – Arizona department	
43	of housing	\$197,267,400

1 Fund sources:

2 State general fund \$196,900,000
 3 Housing trust fund 367,400

4 The amount appropriated to the Arizona department of housing for the
 5 homeless services grant pilot in fiscal year 2022-2023 pursuant to Laws
 6 2022, chapter 313, section 49 from the state general fund is exempt from
 7 the provisions of section 35-190, Arizona Revised Statutes, relating to
 8 lapsing of appropriations, until June 30, 2024.

9 On or before September 1, 2023, the department shall submit an
 10 expenditure plan report to the joint legislative budget committee for the
 11 monies deposited pursuant to this section in the housing trust fund
 12 established by section 41-3955, Arizona Revised Statutes.

13 The Arizona department of housing may use a portion of the monies
 14 appropriated for the housing trust fund deposit to support an investment
 15 for a long-term lease facilitated by this state to create a campus for
 16 transitional housing, workforce affordable housing, crisis response, detox
 17 and recovery, workforce development programs and integrated wrap-around
 18 services. The owner and lead operator of the campus must be a nonprofit
 19 homeless provider that:

20 1. Has at least thirty-five years of experience in providing
 21 emergency homeless services to adult men and women in Maricopa county,
 22 including the chronically homeless, veterans, seniors, people with
 23 disabling conditions, youth and families and children.

24 2. Has been providing rapid rehousing services and flexible housing
 25 support or rapid exit housing support for persons who do not qualify for
 26 rapid rehousing for at least five years.

27 3. Has at least ten years of experience running a mass congregate
 28 shelter of four hundred or more beds, annually serves at least five
 29 thousand people with homeless shelter and related housing services, has an
 30 annual budget of at least \$10,000,000 and participates in the coordinate
 31 entry process and the homeless management information system.

32 Sec. 50. INDUSTRIAL COMMISSION OF ARIZONA

33		<u>2023-24</u>
34	FTE positions	236.6
35	Operating lump sum appropriation	\$21,976,700
36	Municipal firefighter reimbursement	
37	administration	<u>84,600</u>
38	Total appropriation – industrial commission	
39	of Arizona	\$22,061,300
40	Fund sources:	
41	State general fund	\$ 84,600
42	Administrative fund	21,976,700

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

6 Sec. 51. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

	<u>2023-24</u>
7	
8 FTE positions	155.4
9 Operating lump sum appropriation	\$ 12,363,900
10 Arizona vehicle theft task force	4,521,200
11 Automobile theft authority	
12 operating budget	699,400
13 Insurance fraud unit	1,851,400
14 Local grants	1,388,900
15 Reimbursable programs	<u>50,000</u>
16 Total appropriation – department of insurance	
17 and financial institutions	\$ 20,874,800
18 Fund sources:	
19 State general fund	\$ 8,463,000
20 Automobile theft authority fund	6,813,600
21 Financial services fund	5,547,900
22 Department revolving fund	50,300

23 Of the monies appropriated to the department of insurance and
24 financial institutions in the operating lump sum appropriation, \$250,000
25 shall be used to administer the provisions of a bill addressing insurance
26 provider claims against insurers if the bill becomes law in the first
27 regular session of the fifty-sixth legislature. These monies revert to
28 the state general fund if a bill addressing provider claims against
29 insurers does not become law in the first regular session of the
30 fifty-sixth legislature.

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

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

39 The department of insurance and financial institutions shall submit
40 a report to the joint legislative budget committee before spending any
41 monies for the reimbursable programs line item. The department shall show
42 sufficient monies collected to cover the expenses indicated in the report.

43 Of the department fees required to be deposited in the state general
44 fund by statute, the legislature intends that the department of insurance
45 and financial institutions shall assess and set the fees at a level to

1 ensure that the monies deposited in the state general fund will equal or
 2 exceed the department's expenditure from the state general fund.

3 Sec. 52. ARIZONA JUDICIARY

4		<u>2023-24</u>
5	<u>Supreme court</u>	
6	FTE positions	203.0
7	Operating lump sum appropriation	\$ 18,441,100
8	Arizona trial and digital	
9	evidence fund deposit	1,620,000
10	Automation	23,893,700
11	County reimbursements	187,900
12	Court appointed special advocate	5,053,100
13	Courthouse security	750,000
14	Digital evidence software	280,000
15	Domestic relations	693,100
16	State foster care review board	3,535,700
17	Commission on judicial conduct	609,500
18	Judicial nominations and	
19	performance review	614,000
20	Juvenile monetary sanctions	
21	funding backfill	250,000
22	Model court	659,700
23	State aid	<u>5,950,700</u>
24	Total appropriation – supreme court	\$ 62,538,500
25	Fund sources:	
26	State general fund	\$ 29,271,000
27	Confidential intermediary and	
28	fiduciary fund	686,100
29	Court appointed special advocate	
30	fund	5,233,000
31	Criminal justice enhancement fund	4,722,800
32	Defensive driving school fund	4,487,700
33	Judicial collection enhancement	
34	fund	15,191,400
35	State aid to the courts fund	2,946,500

36 On or before September 1, 2023, the supreme court shall report to
 37 the joint legislative budget committee and the governor's office of
 38 strategic planning and budgeting on current and future automation projects
 39 coordinated by the administrative office of the courts. The report shall
 40 include a list of court automation projects that receive or are
 41 anticipated to receive state monies in the current or next two fiscal
 42 years as well as a description of each project, the number of FTE
 43 positions, the entities involved and the goals and anticipated results for
 44 each automation project. The report shall be submitted in one summary
 45 document. The report shall indicate each project's total multiyear cost

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

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

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

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

13 The legislature intends that the \$250,000 appropriation to the
 14 juvenile monetary sanctions funding backfill line item continues in fiscal
 15 years 2024-2025 and 2025-2026. These monies may only be spent if
 16 legislation that eliminates court-ordered fees for juveniles, except for
 17 victim restitution and specified driving under the influence offenses, is
 18 enacted into law.

19 Court of appeals

20	FTE positions	162.8
21	Division one	\$ 16,186,100
22	Division two	<u>8,312,300</u>
23	Total appropriation – court of appeals	\$ 24,498,400

24 Fund sources:

25	State general fund	\$ 24,498,400
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26 Of the 162.8 FTE positions for fiscal year 2023-2024, 111.3 FTE
 27 positions are for division one and 51.5 FTE positions are for division
 28 two.

29 Of the amount appropriated for the operating lump sum for division
 30 two in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
 31 52, \$450,000 from the state general fund is for the remodeling of chambers
 32 to accommodate a new three-judge court of appeals panel, is exempt from
 33 the provisions of section 35-190, Arizona Revised Statutes, relating to
 34 the lapsing of appropriations, until June 30, 2024 and notwithstanding
 35 section 41-1252, Arizona Revised Statutes, is not subject to review by the
 36 joint committee on capital review.

37 Superior court

38	FTE positions	240.5
39	Operating lump sum appropriation	\$ 5,338,600
40	Judges' compensation	28,213,100
41	Centralized service payments	4,631,300
42	Probation salary increase backfill	6,749,200
43	Adult standard probation	22,297,500
44	Adult intensive probation	13,150,200
45	Community punishment	2,310,300

1	Court-ordered removals	315,000
2	Interstate compact	513,700
3	Drug court	1,096,400
4	General adjudication personnel	
5	and support fund deposit	2,000,000
6	Juvenile standard probation	3,781,800
7	Juvenile intensive probation	6,087,200
8	Juvenile treatment services	20,803,000
9	Juvenile family counseling	500,000
10	Juvenile crime reduction	3,313,100
11	Juvenile diversion consequences	9,088,500
12	Probation incentive payments	1,000,000
13	Special water master	<u>505,300</u>
14	Total appropriation – superior court	\$131,694,200
15	Fund sources:	
16	State general fund	\$119,680,200
17	Criminal justice enhancement fund	5,494,400
18	Drug treatment and education fund	504,200
19	Judicial collection enhancement	
20	fund	6,015,400

21 Operating budget

22 All expenditures made by the administrative office of the courts to
 23 administer superior court line items shall be funded only from the
 24 superior court operating budget. Monies in superior court line items
 25 intended for this purpose shall be transferred to the superior court
 26 operating budget before expenditure.

27 Judges

28 Of the 240.5 FTE positions, 182 FTE positions represent superior
 29 court judges. This FTE position clarification does not limit the
 30 counties' ability to add judges pursuant to section 12-121, Arizona
 31 Revised Statutes.

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

39 Probation

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

43 Receipt of state probation monies by the counties is contingent on
 44 the county maintenance of fiscal year 2019-2020 expenditure levels for

1 each probation program. State probation monies are not intended to
2 supplant county dollars for probation programs.

3 On or before November 1, 2023, the administrative office of the
4 courts shall report to the joint legislative budget committee and the
5 governor's office of strategic planning and budgeting the fiscal year
6 2022-2023 actual, fiscal year 2023-2024 estimated and fiscal year
7 2024-2025 requested amounts for each of the following:

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

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

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

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

38 On or before November 1, 2023, the administrative office of the
39 courts shall submit a report to the joint legislative budget committee on
40 the county-approved salary adjustments provided to probation officers
41 since the last report on November 1, 2022. The administrative office
42 shall also submit a copy of the report to the governor's office of
43 strategic planning and budgeting. The report shall include, for each
44 county, the:

- 1 1. Approved percentage salary increase by year.
- 2 2. Net increase in the amount allocated to each probation
- 3 department by the administrative office of the courts for each applicable
- 4 year.
- 5 3. Average number of probation officers by applicable year.
- 6 4. Average salary of probation officers for each applicable year.
- 7 The amount appropriated to the probation salary increase backfill
- 8 line item shall be used as backfill funding to cover the remaining state
- 9 share of probation officer salary increases approved by county boards of
- 10 supervisors for fiscal year 2022-2023.

11 Sec. 53. DEPARTMENT OF JUVENILE CORRECTIONS

12		<u>2023-24</u>
13	FTE positions	738.5
14	Lump sum appropriation	\$ 45,096,500
15	Fund sources:	
16	State general fund	\$ 31,753,400
17	State charitable, penal and	
18	reformatory institutions	
19	land fund	4,125,400
20	Criminal justice enhancement fund	538,500
21	State education fund for committed	
22	youth	1,955,200
23	Department of juvenile corrections	
24	local cost sharing fund	6,724,000

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

30 Sec. 54. STATE LAND DEPARTMENT

31		<u>2023-24</u>
32	FTE positions	131.7
33	Operating lump sum appropriation	\$ 17,378,700
34	Natural resource conservation	
35	districts	650,000
36	CAP user fees	1,700,000
37	Due diligence program	5,000,000
38	Streambed navigability litigation	<u>220,000</u>
39	Total appropriation – state land department	\$ 24,948,700
40	Fund sources:	
41	State general fund	\$ 13,159,300
42	Environmental special plate fund	260,600
43	Due diligence fund	5,000,000
44	Trust land management fund	6,528,800

1 The appropriation includes \$1,700,000 for CAP user fees in fiscal
 2 year 2023-2024. For fiscal year 2023-2024, from municipalities that
 3 assume their allocation of central Arizona project water for every dollar
 4 received as reimbursement to this state for past central Arizona water
 5 conservation district payments, \$1 reverts to the state general fund in
 6 the year that the reimbursement is collected.

7 Of the amount appropriated for natural resource conservation
 8 districts in fiscal year 2023-2024, \$30,000 shall be used to provide
 9 grants to natural resource conservation districts environmental education
 10 centers.

11 Sec. 55. LEGISLATURE

	<u>2023-24</u>
<u>Senate</u>	
Lump sum appropriation	\$ 20,385,300*
Fund sources:	
State general fund	\$ 20,385,300
Included in the lump sum appropriation of \$20,385,300 for fiscal 18 year 2023-2024 is \$5,000 for the purchase of mementos and items for 19 visiting officials.	
<u>House of representatives</u>	
Lump sum appropriation	\$ 24,020,300*
Fund sources:	
State general fund	\$ 24,020,300
Included in the lump sum appropriation of \$24,020,300 for fiscal 25 year 2023-2024 is \$5,000 for the purchase of mementos and items for 26 visiting officials.	
<u>Legislative council</u>	
FTE positions	56.0
Lump sum appropriation	\$ 9,546,500*
Fund sources:	
State general fund	\$ 9,546,500
<u>Ombudsman-citizens aide office</u>	
FTE positions	12.0
Lump sum appropriation	\$ 1,569,200*
Fund sources:	
State general fund	\$ 1,569,200
The legislature intends that the ombudsman-citizens aide prioritize 38 investigating and processing complaints relating to the department of 39 child safety.	
The operating budget includes \$137,500 and 1 FTE position to address 41 complaints relating to the administration of the Arizona empowerment 42 scholarship account program established by section 15-2402, Arizona 43 Revised Statutes.	

1	<u>Joint legislative budget committee</u>	
2	FTE positions	29.0
3	Lump sum appropriation	\$ 3,144,500*
4	Fund sources:	
5	State general fund	\$ 3,144,500
6	<u>Auditor general</u>	
7	FTE positions	224.8
8	Lump sum appropriation	\$ 28,491,600*
9	Fund sources:	
10	State general fund	\$ 28,491,600
11	Of the amount appropriated for the lump sum appropriation, the	
12	auditor general shall use \$3,300,000 for additional agency performance	
13	audits and school district audits.	
14	Sec. 56. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
15		<u>2023-24</u>
16	FTE positions	58.2
17	Lump sum appropriation	\$ 6,555,200
18	Fund sources:	
19	Liquor licenses fund	\$ 6,555,200
20	Sec. 57. ARIZONA STATE LOTTERY COMMISSION	
21		<u>2023-24</u>
22	FTE positions	98.8
23	Operating lump sum appropriation	\$ 10,468,900
24	Advertising	<u>15,500,000</u>
25	Total appropriation – Arizona state	
26	lottery commission	\$ 25,968,900
27	Fund sources:	
28	State lottery fund	\$ 25,968,900
29	An amount equal to twenty percent of tab ticket sales is	
30	appropriated to pay sales commissions to charitable organizations. This	
31	amount is currently estimated to be \$1,768,000 in fiscal year 2023-2024.	
32	An amount equal to 3.6 percent of actual instant ticket sales is	
33	appropriated to print instant tickets or to pay contractual obligations	
34	concerning instant ticket distribution. This amount is currently	
35	estimated to be \$37,965,000 in fiscal year 2023-2024.	
36	An amount equal to a percentage of actual online game sales as	
37	determined by contract is appropriated to pay online vendor fees. This	
38	amount is currently estimated to be \$16,041,700, or 4.256 percent of	
39	actual online ticket sales, in fiscal year 2023-2024.	
40	An amount equal to 6.5 percent of gross lottery game sales, minus	
41	charitable tab tickets, is appropriated to pay sales commissions to ticket	
42	retailers. An additional amount not to exceed 0.5 percent of gross	
43	lottery game sales is appropriated to pay sales commissions to ticket	
44	retailers. The combined amount is currently estimated to be 6.7 percent	
45	of total ticket sales, or \$95,318,500 in fiscal year 2023-2024.	

1	Sec. 58. BOARD OF MASSAGE THERAPY	
2		<u>2023-24</u>
3	FTE positions	5.0
4	Lump sum appropriation	\$ 595,900
5	Fund sources:	
6	Board of massage therapy fund	\$ 595,900
7	Sec. 59. ARIZONA MEDICAL BOARD	
8		<u>2023-24</u>
9	FTE positions	61.5
10	Operating lump sum appropriation	\$ 8,023,600
11	Employee performance incentive	
12	program	<u>165,600</u>
13	Total appropriation – Arizona medical	
14	board	\$ 8,189,200
15	Fund sources:	
16	Arizona medical board fund	\$ 8,189,200
17	Sec. 60. STATE MINE INSPECTOR	
18		<u>2023-24</u>
19	FTE positions	22.0
20	Operating lump sum appropriation	\$ 1,833,400
21	Abandoned mines	820,600
22	Aggregate mining land reclamation	<u>181,800</u>
23	Total appropriation – state mine inspector	\$ 2,835,800
24	Fund sources:	
25	State general fund	\$ 2,722,900
26	Aggregate mining reclamation fund	112,900

27 All aggregate mining reclamation fund monies received by the state
 28 mine inspector in excess of \$112,900 in fiscal year 2023-2024 are
 29 appropriated to the aggregate mining land reclamation line item. Before
 30 spending any aggregate mining reclamation fund monies in excess of
 31 \$112,900 in fiscal year 2023-2024, the state mine inspector shall report
 32 the intended use of the monies to the joint legislative budget committee
 33 and the governor's office of strategic planning and budgeting.

34 Of the amount appropriated in the operating lump sum, the state mine
 35 inspector shall use \$100,000 to purchase a drone that uses
 36 self-stabilization technology and that is capable of entering and mapping
 37 enclosed spaces.

38 Of the amount appropriated in the operating lump sum, \$300,000 is
 39 for a onetime increase from the state general fund in fiscal year
 40 2023-2024 for onetime operating expenses. The \$300,000 is exempt from the
 41 provisions of section 35-190, Arizona Revised Statutes, relating to
 42 lapsing of appropriations.

1	Sec. 61. NATUROPATHIC PHYSICIANS MEDICAL BOARD		
2			<u>2023-24</u>
3	FTE positions		2.0
4	Lump sum appropriation	\$	215,200
5	Fund sources:		
6	Naturopathic physicians medical		
7	board fund	\$	215,200
8	Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION		
9			<u>2023-24</u>
10	FTE positions		2.0
11	Lump sum appropriation	\$	344,200
12	Fund sources:		
13	State general fund	\$	144,200
14	Arizona water banking fund		200,000
15	Sec. 63. ARIZONA STATE BOARD OF NURSING		
16			<u>2023-24</u>
17	FTE positions		55.0
18	Operating lump sum appropriation	\$	5,647,500
19	Student registered nurse anesthetist		
20	clinical rotation program		450,000
21	Certified nursing assistant		
22	credentialing program		<u>538,400</u>
23	Total appropriation – Arizona state		
24	board of nursing	\$	6,635,900
25	Fund sources:		
26	State general fund	\$	450,000
27	Board of nursing fund		6,185,900
28	Sec. 64. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS		
29	AND ASSISTED LIVING FACILITY MANAGERS		
30			<u>2023-24</u>
31	FTE positions		7.0
32	Lump sum appropriation	\$	595,600
33	Fund sources:		
34	Nursing care institution		
35	administrators' licensing and		
36	assisted living facility		
37	managers' certification fund	\$	595,600
38	Sec. 65. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
39			<u>2023-24</u>
40	FTE positions		1.5
41	Lump sum appropriation	\$	243,200
42	Fund sources:		
43	Occupational therapy fund	\$	243,200

1	Sec. 66. STATE BOARD OF DISPENSING OPTICIANS		
2			<u>2023-24</u>
3	FTE positions		1.0
4	Lump sum appropriation	\$	186,900
5	Fund sources:		
6	Board of dispensing opticians fund	\$	186,900
7	Sec. 67. STATE BOARD OF OPTOMETRY		
8			<u>2023-24</u>
9	FTE positions		2.0
10	Lump sum appropriation	\$	291,300
11	Fund sources:		
12	Board of optometry fund	\$	291,300
13	Sec. 68. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
14			<u>2023-24</u>
15	FTE positions		10.0
16	Lump sum appropriation	\$	1,394,600
17	Fund sources:		
18	Arizona board of osteopathic		
19	examiners in medicine		
20	and surgery fund	\$	1,394,600
21	Sec. 69. ARIZONA STATE PARKS BOARD		
22			<u>2023-24</u>
23	FTE positions		167.0
24	Operating lump sum appropriation	\$	16,473,300
25	Arizona trail fund deposit		500,000
26	Arizona state parks heritage		
27	fund deposit		6,000,000
28	State lake improvement		
29	fund deposit		5,200,000
30	State parks store		1,011,300
31	Kartchner caverns state park		<u>2,534,900</u>
32	Total appropriation – Arizona state parks		
33	board	\$	31,719,500
34	Fund sources:		
35	State general fund	\$	11,700,000
36	State parks revenue fund		18,991,500
37	State parks store fund		1,011,300
38	Off-highway vehicle recreation fund		16,700

39 In addition to the operating lump sum appropriation, an amount equal
40 to the revenue share agreement with the United States forest service for
41 Fool Hollow Lake recreation area is appropriated to the Arizona state
42 parks board from the state parks revenue fund established by section
43 41-511.21, Arizona Revised Statutes.

1	Sec. 70. STATE PERSONNEL BOARD	
2		<u>2023-24</u>
3	FTE positions	2.0
4	Lump sum appropriation	\$ 345,000
5	Fund sources:	
6	Personnel division fund –	
7	personnel board subaccount	\$ 345,000
8	Sec. 71. ARIZONA STATE BOARD OF PHARMACY	
9		<u>2023-24</u>
10	FTE positions	25.4
11	Operating lump sum appropriation	\$ 3,385,000
12	Prescriber report card	<u>50,000</u>
13	Total appropriation – Arizona state	
14	board of pharmacy	\$ 3,435,000
15	Fund sources:	
16	Arizona state board of pharmacy	
17	fund	\$ 3,435,000
18	Sec. 72. BOARD OF PHYSICAL THERAPY	
19		<u>2023-24</u>
20	FTE positions	4.0
21	Lump sum appropriation	\$ 587,500
22	Fund sources:	
23	Board of physical therapy fund	\$ 587,500
24	Sec. 73. ARIZONA PIONEERS' HOME	
25		<u>2023-24</u>
26	FTE positions	107.3
27	Lump sum appropriation	\$ 8,311,300
28	Fund sources:	
29	Miners' hospital for miners with	
30	disabilities land fund	\$ 2,318,600
31	State charitable fund	5,992,700
32	Earnings on state lands and interest on the investment of the	
33	permanent land funds are appropriated for the Arizona pioneers' home and	
34	the state hospital for miners with disabilities in compliance with the	
35	enabling act and the Constitution of Arizona.	
36	Sec. 74. STATE BOARD OF PODIATRY EXAMINERS	
37		<u>2023-24</u>
38	FTE positions	1.0
39	Lump sum appropriation	\$ 193,200
40	Fund sources:	
41	Podiatry fund	\$ 193,200

1	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
2		<u>2023-24</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 451,300
5	Fund sources:	
6	Board for private postsecondary	
7	education fund	\$ 451,300
8	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
9		<u>2023-24</u>
10	FTE positions	4.5
11	Lump sum appropriation	\$ 635,300
12	Fund sources:	
13	Board of psychologist examiners	
14	fund	\$ 635,300
15	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
16		<u>2023-24</u>
17	FTE positions	2,105.7
18	Operating lump sum appropriation	\$282,733,100
19	ACTIC	1,450,000
20	AZPOST	6,576,000
21	Border drug interdiction	17,145,900
22	Local border support	12,232,900
23	Civil air patrol infrastructure	10,000,000*
24	Civil air patrol maintenance and	
25	operations	150,000
26	Department of public safety	
27	crime lab assistance	400,000
28	Fentanyl prosecution, diversion	
29	and testing fund deposit	3,000,000
30	GIITEM	25,329,700
31	GIITEM subaccount	2,396,400
32	Land mobile radio expansion	
33	and upgrades	44,100,000*
34	Law enforcement retention	
35	initiatives	2,000,000
36	Major incident division	17,000,000*
37	Motor vehicle fuel	9,125,800
38	Onetime vehicle replacement	11,709,300
39	Pharmaceutical diversion and	
40	drug theft task force	769,100
41	Public safety equipment	2,890,000
42	Real-time crime centers	<u>4,100,000</u>
43	Total appropriation – department of public	
44	safety	\$453,108,200

1	Fund sources:	
2	State general fund	\$363,993,000
3	State highway fund	8,166,700
4	Arizona highway patrol fund	38,214,500
5	Criminal justice enhancement fund	2,989,100
6	Department of public safety	
7	forensics fund	22,985,300
8	Gang and immigration intelligence	
9	team enforcement mission border	
10	security and law enforcement	
11	subaccount	2,396,400
12	Motorcycle safety fund	198,900
13	Motor vehicle liability insurance	
14	enforcement fund	1,032,000
15	Risk management revolving fund	1,396,900
16	Parity compensation fund	4,088,100
17	Public safety equipment fund	2,894,000
18	Concealed weapons permit fund	3,172,200
19	Fingerprint clearance card fund	1,581,100

20 Of the \$25,329,700 appropriated to the GIITEM line item, \$13,275,800
21 shall be used for one hundred department of public safety GIITEM
22 personnel. The additional staff shall include at least fifty sworn
23 department of public safety positions to be used for immigration
24 enforcement and border security and fifty department of public safety
25 positions to assist GIITEM in various efforts, including:

- 26 1. Strictly enforcing all federal laws relating to illegal aliens
27 and arresting illegal aliens.
- 28 2. Responding to or assisting any county sheriff or attorney in
29 investigating complaints of employment of illegal aliens.
- 30 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
31 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
32 Enforcement and Safe Neighborhoods Act" and investigating crimes of
33 identity theft in the context of hiring illegal aliens and the unlawful
34 entry into this country.
- 35 4. Taking strict enforcement action.

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

41 Of the \$25,329,700 appropriated to the GIITEM line item, only
42 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
43 Arizona Revised Statutes, and is appropriated for the purposes of that
44 section. The \$1,403,400 is exempt from the provisions of section 35-190,
45 Arizona Revised Statutes, relating to lapsing of appropriations. This

1 state recognizes that states have inherent authority to arrest a person
2 for any immigration violation.

3 Any monies remaining in the department of public safety joint
4 account on June 30, 2024 revert to the funds from which they were
5 appropriated. The reverted monies shall be returned in direct proportion
6 to the amounts appropriated.

7 On or before September 1, 2023, the department of public safety
8 shall submit an expenditure plan for the local border support line item to
9 the joint legislative budget committee and the governor's office of
10 strategic planning and budgeting.

11 The \$12,232,900 appropriated for the local border support line item
12 shall be used to fund local law enforcement officer positions for border
13 drug interdiction to deter and apprehend any individuals who are charged
14 with drug trafficking, human smuggling, illegal immigration and other
15 border-related crimes. The monies shall also be used for grants to
16 cities, towns and counties for costs associated with prosecuting and
17 detaining individuals who are charged with drug trafficking, human
18 smuggling, illegal immigration and other border-related crimes. The
19 department may fund all capital-related equipment.

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

25 Of the amount appropriated for the department of public safety
26 onetime vehicle replacement line item in fiscal year 2022-2023 pursuant to
27 Laws 2022, chapter 313, section 77, \$11,709,300 from the state general
28 fund is exempt from the provisions of section 35-190, Arizona Revised
29 Statutes, relating to the lapsing of appropriations, until June 30, 2025
30 for the purpose of vehicle replacement.

31 Of the amount appropriated for the onetime vehicle replacement line
32 item, \$11,709,300 are exempt from the provisions of section 35-190,
33 Arizona Revised Statutes, relating to lapsing of appropriations, until
34 June 30, 2025.

35 Of the amount appropriated in the real-time crime centers line item,
36 \$2,600,000 shall be distributed to the city of Peoria and \$1,500,000 to
37 the city of Tucson to operate real-time crime centers that:

38 1. Use technology to effectively and safely provide assistance to
39 law enforcement agencies and fire departments and districts.

40 2. Integrate crime investigation technology to provide real-time
41 information to responding law enforcement agencies and fire departments
42 and districts.

43 3. Are available for use by law enforcement agencies and fire
44 departments and districts that are located in any city, town or county in
45 the region.

1 Of the amount appropriated in the total appropriation for the
2 department of public safety, \$187,051,200 is designated for personal
3 services and \$76,864,000 is designated for employee-related expenditures.
4 The department shall submit an expenditure plan to the joint legislative
5 budget committee for review before spending these monies for other than
6 personal services or employee-related expenditures.

7 Of the amount appropriated in the fentanyl prosecution, diversion
8 and testing fund deposit line item, up to \$50,000 and 0.5 FTE positions
9 may be used for costs associated with administering the fentanyl
10 prosecution, diversion and testing fund.

11 Of the amount appropriated in the operating lump sum, \$798,600 is
12 for a onetime increase from the state general fund in fiscal year
13 2023-2024 for onetime operating expenses. The \$798,600 is exempt from the
14 provisions of section 35-190, Arizona Revised Statutes, relating to
15 lapsing of appropriations.

16 Of the amount appropriated in the law enforcement retention
17 initiatives line item, \$1,000,000 shall be used to acquire coaching
18 resources with a special emphasis on improved retention and development of
19 law enforcement professionals at the department of public safety.
20 Resource providers must have coaches with backgrounds in law enforcement
21 who have been trained in coaching with the best practices for law
22 enforcement coaching from current or former federal bureau of
23 investigation national academy instructors and must provide coaching
24 services on an online platform that allows law enforcement professionals
25 to choose a coach that fits their desired area of improvement. The
26 provider must offer a wide array of subject areas and must have analytics
27 to measure impacts specific to improvement, including officer retention.

28 Of the amount appropriated in the law enforcement retention
29 initiatives line item, \$1,000,000 shall be used for a law enforcement
30 recruitment and retention grant program to provide matching grants to
31 county, city and town law enforcement agencies for the purposes of
32 acquiring coaching resources with a special emphasis on improved retention
33 and development of law enforcement professionals at the county, city and
34 town law enforcement agencies. Resource providers must have coaches with
35 backgrounds in law enforcement who have been trained in coaching with the
36 best practices for law enforcement coaching from current or former federal
37 bureau of investigation national academy instructors and must provide
38 coaching services on an online platform that allows law enforcement
39 professionals to choose a coach that fits their desired area of
40 improvement. The provider must offer a wide array of subject areas and
41 must have analytics to measure impacts specific to improvement, including
42 officer retention. The county law enforcement agencies in Maricopa and
43 Pima counties must provide a fifty percent match to receive a grant and
44 county law enforcement agencies in all other counties must provide a
45 twenty-five percent match to receive a grant. The city law enforcement

1 agencies in Phoenix and Tucson must provide a fifty percent match to
 2 receive a grant and city and town law enforcement agencies in all other
 3 cities and towns must provide a twenty-five percent match to receive a
 4 grant. The department of public safety shall establish procedures for
 5 applying for grants, and county, city and town law enforcement agencies
 6 that receive grant monies must use the monies to obtain recruitment and
 7 retention resources and services.

8 Of the amount appropriated to the department of public safety for
 9 onetime K-9 support in fiscal year 2022-2023 pursuant to Laws 2022,
 10 chapter 313, section 77, \$1,900,000 from the state general fund is exempt
 11 from the provisions of section 35-190, Arizona Revised Statutes, relating
 12 to lapsing of appropriations.

13 Of the amount appropriated in the operating lump sum, \$1,500,000 is
 14 for a onetime increase from the state general fund in fiscal year
 15 2023-2024 for rapid DNA testing and analysis.

16 Sec. 78. STATE REAL ESTATE DEPARTMENT

	<u>2023-24</u>
17	
18	FTE positions 37.0
19	Lump sum appropriation \$ 3,221,000
20	Fund sources:
21	State general fund \$ 3,221,000

22 Sec. 79. RESIDENTIAL UTILITY CONSUMER OFFICE

	<u>2023-24</u>
23	
24	FTE positions 12.0
25	Operating lump sum appropriation \$ 1,433,900
26	Professional witnesses <u>145,000*</u>
27	Total appropriation – residential utility
28	consumer office \$ 1,578,900
29	Fund sources:
30	Residential utility consumer
31	office revolving fund \$ 1,578,900

32 Sec. 80. BOARD OF RESPIRATORY CARE EXAMINERS

	<u>2023-24</u>
33	
34	FTE positions 4.0
35	Lump sum appropriation \$ 404,800
36	Fund sources:
37	Board of respiratory care
38	examiners fund \$ 404,800

39 Sec. 81. ARIZONA STATE RETIREMENT SYSTEM

	<u>2023-24</u>
40	
41	FTE positions 240.9
42	Lump sum appropriation \$ 28,893,400
43	Fund sources:
44	Arizona state retirement system
45	administration account \$ 27,093,400

1	Long-term disability trust fund	
2	administration account	1,800,000
3	Sec. 82. DEPARTMENT OF REVENUE	
4		<u>2023-24</u>
5	FTE positions	892.8
6	Operating lump sum appropriation	\$ 75,507,400
7	BRITS operational support	8,008,800
8	E-commerce compliance and outreach	919,800
9	Unclaimed property administration	
10	and audit	1,487,000
11	TPT simplification	1,013,800
12	Tax fraud prevention	<u>3,150,000</u>
13	Total appropriation – department of revenue	\$ 90,086,800
14	Fund sources:	
15	State general fund	\$ 61,863,300
16	Department of revenue	
17	administrative fund	26,603,100
18	Liability setoff program	
19	revolving fund	892,500
20	Tobacco tax and health care fund	727,900

21 If the total value of properties retained by unclaimed property
 22 contract auditors exceeds \$1,487,000, the excess amount is transferred
 23 from the state general fund to the department of revenue administrative
 24 fund established by section 42-1116.01, Arizona Revised Statutes, and is
 25 appropriated to the department for contract auditor fees.

26 The department shall report the department's general fund revenue
 27 enforcement goals for fiscal year 2023-2024 to the joint legislative
 28 budget committee on or before September 30, 2023. On or before September
 29 30, 2024, the department shall provide an annual progress report to the
 30 joint legislative budget committee as to the effectiveness of the
 31 department's overall enforcement and collections program for fiscal year
 32 2023-2024. The reports shall compare projected and actual state general
 33 fund, total state tax, total county tax and total municipal tax revenue
 34 enforcement collections for fiscal year 2022-2023 and fiscal year
 35 2023-2024, including the amount of projected and actual enforcement
 36 collections for all tax types. The reports shall also include the total
 37 number of transaction privilege tax delinquent accounts, the total dollar
 38 value of those accounts classified by age of account and the total dollar
 39 amount of delinquent account write-offs determined to be uncollectible for
 40 fiscal year 2022-2023.

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

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

1 On or before November 1, 2023, the department shall report the
 2 results of private fraud prevention investigation services during fiscal
 3 year 2022-2023 to the joint legislative budget committee. The report
 4 shall include the total number of fraudulent returns prevented and the
 5 total dollar amount of fraudulent returns prevented during fiscal year
 6 2022-2023.

7 Sec. 83. DEPARTMENT OF STATE – SECRETARY OF STATE

	<u>2023-24</u>
8 FTE positions	143.1
9 Operating lump sum appropriation	\$ 17,254,600
10 Access voter information database	483,500
11 Help America vote act projects	5,000,000*
12 Library grants-in-aid	651,400*
13 Presidential preference election	5,926,100
14 Statewide radio reading service	
15 for the blind	97,000
16 Uniform state laws commission	<u>99,000</u>
17	
18 Total appropriation – department of	
19 state – secretary of state	\$ 29,511,600
20 Fund sources:	
21 State general fund	\$ 22,693,200
22 Election systems improvement fund	5,483,500
23 Records services fund	1,334,900

24 Included in the operating lump sum appropriation of \$17,254,600 for
 25 fiscal year 2023-2024 is \$5,000 for the purchase of mementos and items for
 26 visiting officials.

27 Included in the operating lump sum appropriation of \$17,254,600 for
 28 fiscal year 2023-2024 is \$1,334,900 from the records services fund. This
 29 appropriation may be used for the payment of obligations incurred in
 30 fiscal year 2022-2023.

31 The operating lump sum appropriation includes \$100,000 for
 32 additional support for the talking book library.

33 The operating lump sum appropriation includes \$250,000 for
 34 additional support for the address confidentiality program.

35 The operating lump sum appropriation includes \$100,000 for
 36 additional support for secretary of state legal expenses. The secretary of
 37 state may spend these monies for legal services from the attorney general
 38 or to hire one FTE position to serve as legal advisor and to represent the
 39 secretary of state. The secretary of state may not make expenditures or
 40 incur indebtedness to employ outside or private attorneys to provide
 41 representation or services.

42 Of the amount appropriated in the operating lump sum, \$2,330,000 is
 43 for a onetime increase from the state general fund in fiscal year
 44 2023-2024 for administrative costs. The \$2,330,000 includes \$330,000 for
 45 the business services department. The \$2,330,000 is exempt from the

1 provisions of section 35-190, Arizona revised statutes, relating to the
2 lapsing of appropriations.

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

6 Monies in the access voter information database line item may be
7 used only for the exclusive purpose of developing and administering the
8 statewide database of voter registration information required by section
9 16-168, Arizona Revised Statutes. The secretary of state may not transfer
10 any monies in or out of the access voter information database line item.

11 The secretary of state shall distribute seventy five percent of the
12 monies in the help America vote act projects line item to counties for
13 election systems improvements. Before spending monies in the help America
14 vote act projects line item, the secretary of state shall submit an
15 expenditure plan for review by the joint legislative budget committee that
16 includes, at a minimum, the planned expenditures and timeline for the
17 expenditures by year. On or before July 31, 2024 and December 31, 2024,
18 the secretary of state shall submit a report to the joint legislative
19 budget committee and the governor's office of strategic planning and
20 budgeting detailing the actual expenditures from the help America vote act
21 projects line item. The secretary of state shall continue to report on
22 July 31 and December 31 of each year until all monies from the help
23 America vote act projects line item have been expended.

24 Notwithstanding section 35-190, Arizona Revised Statutes, the
25 appropriation of \$5,352,200 to the secretary of state for the county
26 allocation of help America vote act election security grant monies made by
27 Laws 2020, chapter 58, section 104 that remains unexpended on June 30,
28 2024 reverts to the fund from which the monies were appropriated.

29 Monies in the presidential preference election line item may only be
30 spent by the secretary of state to reimburse expenses incurred by counties
31 to administer the 2024 presidential preference election, for logic and
32 accuracy testing of voting equipment for the 2024 presidential preference
33 election and for the direct costs of the secretary of state related to the
34 2024 presidential preference election. The secretary of state may use up
35 to \$100,000 of the monies in the presidential preference election line
36 item for the direct costs of the secretary of state related to the 2024
37 presidential preference election.

38 Each county shall submit its certified claims to the secretary of
39 state for the 2024 presidential preference election by May 1, 2024. On or
40 before May 15, 2024, the secretary of state shall review the county claims
41 and submit a report to the joint legislative budget committee and the
42 governor's office of strategic planning and budgeting regarding county
43 reimbursements for the 2024 presidential preference election.

1	Sec. 84. STATE BOARD OF TAX APPEALS		
2		<u>2023-24</u>	
3	FTE positions	4.0	
4	Lump sum appropriation	\$ 317,700	
5	Fund sources:		
6	State general fund	\$ 317,700	
7	Sec. 85. STATE BOARD OF TECHNICAL REGISTRATION		
8		<u>2023-24</u>	
9	FTE positions	25.0	
10	Lump sum appropriation	\$ 2,620,600	
11	Fund sources:		
12	Technical registration fund	\$ 2,620,600	
13	Sec. 86. OFFICE OF TOURISM		
14		<u>2023-24</u>	
15	FTE positions	31.0	
16	Tourism fund deposit	\$ 7,952,600	
17	Arizona promotion	1,000,000	
18	Wine promotion	<u>100,000</u>	
19	Total appropriation – office of tourism	\$ 9,052,600	
20	Fund sources:		
21	State general fund	\$ 9,052,600	
22	The tourism fund deposit line item includes \$250,000 that the office		
23	of tourism shall distribute to a 501(c)(6) membership organization in this		
24	state that represents statewide hotels and resorts, tourism attractions,		
25	destination marketing organizations, sports teams, airlines, airports and		
26	related business partners to advance workforce development and education		
27	initiatives for the lodging and tourism industry.		
28	The tourism fund deposit line item includes \$250,000 that the office		
29	of tourism shall distribute to a 501(c)(6) membership organization in this		
30	state that represents restaurants to advance workforce development		
31	initiatives and for campaigns to highlight this state's restaurant and		
32	hospitality industry in support of increasing culinary tourism in this		
33	state.		
34	Sec. 87. DEPARTMENT OF TRANSPORTATION		
35		<u>2023-24</u>	
36	FTE positions	4,554.0	
37	Operating lump sum appropriation	\$256,250,200	
38	Attorney general legal services	3,623,700	
39	Highway maintenance	161,589,100	
40	ADOT fleet vehicles and heavy		
41	equipment maintenance	25,391,900	
42	Spaying and neutering of		
43	animals fund deposit	550,000	
44	State fleet operations	30,454,400	
45	State fleet vehicle replacement	25,000,000	

1	Driver safety and livestock control	800,000
2	ADOT fleet vehicle and heavy	
3	equipment replacement	22,400,000
4	Highway damage recovery account	8,000,600
5	Onetime fleet fuel inflation	
6	funding	2,337,900
7	Statewide litter removal	3,106,800
8	Radio lifecycle replacement	1,656,100
9	Preventive surface treatments	36,142,000
10	Authorized third parties	<u>2,223,800</u>
11	Total appropriation – department of	
12	transportation	\$579,526,500
13	Fund sources:	
14	State general fund	\$ 550,000
15	Air quality fund	1,128,100
16	Arizona highway user revenue fund	935,200
17	Highway damage recovery account	8,000,600
18	Ignition interlock device fund	363,600
19	Motor vehicle liability	
20	insurance enforcement fund	1,601,800
21	State fleet operations fund	30,454,400
22	State vehicle replacement fund	25,000,000
23	State aviation fund	2,276,900
24	State highway fund	482,177,400
25	Department fleet operations fund	25,391,900
26	Vehicle inspection and certificate	
27	of title enforcement fund	1,646,600

28 Motor vehicle division

29 The department of transportation shall submit an annual report to
30 the joint legislative budget committee on progress in improving motor
31 vehicle division wait times and vehicle registration renewal by mail
32 turnaround times in a format similar to prior years. The report is due on
33 or before July 31, 2024 for fiscal year 2023-2024.

34 On or before February 1, 2024, the Arizona strategic enterprise
35 technology office shall submit, on behalf of the department of
36 transportation, an annual progress report to the joint legislative budget
37 committee staff. The annual report shall provide updated plans for
38 spending the department-dedicated portion of the authorized third-party
39 electronic service partner's fee retention on the motor vehicle
40 modernization project in fiscal year 2023-2024, including any amounts for
41 stabilization, maintenance, ongoing operations, support and enhancements
42 for the motor vehicle modernization solution, maintenance of legacy
43 mainframe processing and support capability, and other system projects
44 outside the scope of the motor vehicle modernization project.

1 On or before August 1, 2023, the department of transportation shall
2 report to the director of the joint legislative budget committee the
3 state's share of fees retained by the service Arizona vendor in the prior
4 fiscal year. The report shall include the amount spent by the service
5 Arizona vendor on behalf of this state in the prior fiscal year and a list
6 of the projects funded with those monies.

7 Other

8 Of the total amount appropriated, \$161,167,500 in fiscal year
9 2023-2024 for highway maintenance is exempt from the provisions of section
10 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
11 except that all unexpended and unencumbered monies of the appropriation
12 revert to the state highway fund established by section 28-6991, Arizona
13 Revised Statutes, on August 31, 2024.

14 The amount appropriated to the preventive surface treatments line
15 item is exempt from the provisions of section 35-190, Arizona Revised
16 Statutes, relating to lapsing of appropriations, except that all
17 unexpended and unencumbered monies of the appropriation revert to the
18 state highway fund established by section 28-6991, Arizona Revised
19 Statutes, on August 31, 2024.

20 Of the total amount appropriated, the department of transportation
21 shall pay \$15,981,300 in fiscal year 2023-2024 from all funds to the
22 department of administration for its risk management payment.

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

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

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

1	Sec. 88. STATE TREASURER	
2		<u>2023-24</u>
3	FTE positions	38.4
4	Operating lump sum appropriation	\$ 4,666,000
5	Justice of the peace salaries	2,818,200
6	Law enforcement/boating safety	
7	fund grants	<u>2,183,800</u>
8	Total appropriation – state treasurer	\$ 9,668,000
9	Fund sources:	
10	State general fund	\$ 3,160,800
11	Law enforcement and boating	
12	safety fund	2,183,800
13	State treasurer's operating fund	4,323,400
14	On or before June 30, 2024, the state treasurer shall report to the	
15	joint legislative budget committee staff on the state treasurer's current	
16	fiscal year and estimated next fiscal year expenditures of interest	
17	earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised	
18	Statutes, for the state treasurer's banking service contract, external	
19	investment management agreement, administrative and information technology	
20	costs and any other costs.	
21	Sec. 89. GOVERNOR'S OFFICE ON TRIBAL RELATIONS	
22		<u>2023-24</u>
23	FTE positions	3.0
24	Lump sum appropriation	\$ 69,900
25	Fund sources:	
26	State general fund	\$ 69,900
27	Sec. 90. ARIZONA BOARD OF REGENTS	
28		<u>2023-24</u>
29	FTE positions	30.9
30	Operating lump sum appropriation	\$ 2,496,500
31	Adaptive athletics	160,000
32	Primary care residency programs	5,000,000*
33	Arizona promise program	40,000,000
34	Spouses of military veterans	
35	tuition scholarships	10,000,000
36	Arizona teachers academy	30,000,000
37	Arizona teachers incentive program	90,000
38	Arizona teacher student loan program	426,000
39	Arizona transfer articulation	
40	support system	213,700
41	Spouses and dependents of law	
42	enforcement officers tuition	
43	scholarship fund deposit	2,000,000

1	Leveraging educational assistance	
2	partnership program	1,220,800
3	Museum of democracy presidential	
4	project	2,000,000*
5	Washington, D.C. internships	300,000*
6	Western interstate commission	
7	office	153,000
8	WICHE student subsidies	<u>4,078,000</u>
9	Total appropriation – Arizona board of	
10	regents	\$ 98,138,000
11	Fund sources:	
12	State general fund	\$ 98,138,000

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

26 On or before October 1, 2024, the Arizona board of regents shall
27 submit a report to the director of the joint legislative budget committee
28 and the director of the governor's office of strategic planning and
29 budgeting on the Arizona promise program that includes all of the
30 following for fiscal year 2023-2024:

31 1. The total number of students receiving promise scholarships by
32 each eligible postsecondary institution.

33 2. The total number of students enrolled at each eligible
34 postsecondary institution that are eligible to receive federal pell
35 grants.

36 3. A list of the programs of study in which promise scholarship
37 recipients are enrolled, including the number of recipients enrolled in
38 each program.

39 4. The average promise scholarship award amount for each eligible
40 postsecondary institution.

41 5. A geographic representation of promise scholarship recipients
42 based on the high school attended.

43 6. The average grade point average of promise scholarships
44 recipients by each eligible postsecondary institution.

1 On or before October 1, 2024, the Arizona board of regents shall
2 submit a report to the director of the joint legislative budget committee
3 and the director of the governor's office of strategic planning and
4 budgeting on spouses of military veterans tuition scholarships that
5 includes all of the following for fiscal year 2023-2024:

6 1. The amount distributed to each eligible postsecondary
7 institution.

8 2. The total number of award recipients by each eligible
9 postsecondary institution.

10 3. The average award amount for each eligible postsecondary
11 institution.

12 In order to be eligible to receive state matching monies under the
13 leveraging educational assistance partnership program for grants to
14 students, each participating institution, public or private, shall provide
15 an amount of institutional matching monies that equals the amount of
16 monies provided by this state to the institution for the leveraging
17 educational assistance partnership program. Administrative expenses
18 incurred by the Arizona board of regents shall be paid from institutional
19 matching monies and may not exceed twelve percent of the monies
20 appropriated in fiscal year 2023-2024.

21 The Arizona board of regents shall distribute monies appropriated
22 for the museum of democracy presidential project to universities under the
23 jurisdiction of the board to provide opportunities for undergraduate
24 students, high school students and the broader community to become better
25 informed on American presidencies and presidential elections. Programming
26 may include public speakers, high school leadership academies and
27 undergraduate student workshops. The monies shall also be used to display
28 presidential memorabilia collections, combining visual arts, exhibitions
29 and civic education programs.

30 The Arizona board of regents shall distribute monies appropriated
31 for Washington, D.C. internships for program fees and housing costs in
32 equal amounts to each of the three universities under the jurisdiction of
33 the board for the purpose of providing student internships and short-term
34 programs in Washington, D.C. in partnership with a third-party
35 organization. Short-term programs include one-week seminars and learning
36 opportunities shorter than one academic semester. The third-party
37 organization must meet the following requirements:

38 1. Have partnerships with Washington, D.C.-based organizations to
39 provide full-time, semester-long student internships and short-term
40 programs.

41 2. Have the ability to place as many students in internships and
42 short-term programs as needed by the universities.

43 3. Have experience placing students in internships for at least ten
44 consecutive years.

1 4. Have dedicated staff to ensure that student interns have access
2 to internships in their areas of interest.

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

15 Sec. 91. ARIZONA STATE UNIVERSITY

	<u>2023-24</u>
16	
17	FTE positions 7,724.9
18	Operating lump sum appropriation \$977,425,600
19	Biomedical informatics 3,701,700
20	Eastern Europe cultural collaborative 250,000
21	Arizona financial aid trust 5,985,800
22	Downtown Phoenix campus 109,867,100
23	Collegiate women's wrestling
24	program <u>500,000</u>
25	Total appropriation – Arizona state
26	university \$1,097,730,200
27	Fund sources:
28	State general fund \$391,698,400
29	University collections fund 706,031,800

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

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

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

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

41 Of the amount appropriated to the Arizona state university operating
42 budget, \$23,600,000 is onetime funding. On or before September 1, 2023,
43 Arizona state university shall provide a detailed expenditure plan to the
44 joint legislative budget committee that includes a description of the
45 intended purposes and the estimated costs of each expenditure.

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

5 Any appropriated monies allocated by the university for the school
6 of civic and economic thought and leadership shall be used to operate a
7 single stand-alone academic entity within Arizona state university. The
8 appropriated monies may not supplant any existing state funding or private
9 or external donations to the existing centers or to the school. The
10 appropriated monies and all private and external donations for the school,
11 including any remaining balances from prior fiscal years, shall be
12 deposited in a separate account, shall be used only for the direct
13 operation of the school and may not be used for indirect costs of the
14 university. On or before October 1, 2023, the school shall submit a
15 report to the president of the senate, the speaker of the house of
16 representatives, the chairpersons of the senate education committee and
17 the house of representatives education committee and the director of the
18 joint legislative budget committee that includes at least the following
19 information for the school:

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

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

28 The legislature intends that appropriated monies allocated by the
29 university for the school of civic and economic thought and leadership in
30 fiscal year 2023-2024 be consistent with the amount appropriated in fiscal
31 year 2022-2023.

32 Any appropriated monies allocated by Arizona state university for
33 the center for American institutions shall be used at the sole discretion
34 and on approval of the lead of the center and may not supplant any
35 existing state funding or private or external donations to the center.
36 The appropriated monies and all private and external donations for the
37 center, including remaining balances from prior fiscal years, shall be
38 deposited in a separate account, shall be used only for the direct
39 operation of the center and may not be used for any indirect costs of the
40 university.

41 On or before October 1, 2024, the center for American institutions
42 shall submit a report to the joint legislative budget committee that
43 includes the total amount of funding received from all sources and a
44 description of the center's activities and accomplishments.

1 Of the monies appropriated to the operating lump sum, the
 2 legislature intends that \$4,000,000 be deposited in a separate account for
 3 the center for American institutions.

4 Of the amount appropriated for the collegiate women's wrestling
 5 program, up to \$150,000 may be used for costs incurred to establish and
 6 maintain a collegiate women's wrestling program at Arizona state
 7 university. The remaining monies shall be used to award athletic
 8 scholarships on a first-come, first-served basis to any individual who
 9 meets the following criteria:

- 10 1. Participates in the women's wrestling program.
- 11 2. Is or will be enrolled full time at Arizona state university.
- 12 3. Has an overall grade point average of 3.0 or higher on a 4.0
 13 scale, or the equivalent.
- 14 4. Is ranked in the top ten of the student's weight class according
 15 to a national high school ranking system, except that students who are
 16 ranked in the top five of a national high school ranking system shall be
 17 given priority. If the student does not have a current national high
 18 school rank because the student has graduated from high school, the
 19 requirement may be satisfied by the student's most recent national high
 20 school rank.

21 Scholarships awarded shall be equal to the cost of tuition, room,
 22 board, books and university fees charged by Arizona state university,
 23 reduced by the amount of any federal aid scholarships or public grants or
 24 any other financial gifts, grants or aid received by that individual.

25 Any unencumbered balances remaining in the university collections
 26 fund on June 30, 2023 and all collections received by the university
 27 during the fiscal year are appropriated for operating expenditures,
 28 capital outlay and fixed charges. Earnings on state lands and interest on
 29 the investment of the permanent land funds are appropriated in compliance
 30 with the enabling act and the Constitution of Arizona. No part of this
 31 appropriation may be spent for supplemental life insurance or supplemental
 32 retirement.

33 Sec. 92. NORTHERN ARIZONA UNIVERSITY

	<u>2023-24</u>
34 FTE positions	2,376.2
35 Operating lump sum appropriation	\$249,663,200
36 Arizona financial aid trust	1,326,000
37 Biomedical research funding	3,000,000
38 NAU – Yuma	3,119,800
39 Teacher training	<u>2,292,700</u>
40 Total appropriation – Northern Arizona	
41 university	\$259,401,700
42 Fund sources:	
43 State general fund	\$129,004,400
44 University collections fund	130,397,300
45	

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

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

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

8 Of the amount appropriated to the northern Arizona university
9 operating budget, \$11,100,000 is onetime funding. On or before September
10 1, 2023, northern Arizona university shall provide a detailed expenditure
11 plan to the joint legislative budget committee that includes a description
12 of the intended purposes and the estimated costs of each expenditure.

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

17 Any unencumbered balances remaining in the university collections
18 fund on June 30, 2023 and all collections received by the university
19 during the fiscal year are appropriated for operating expenditures,
20 capital outlay and fixed charges. Earnings on state lands and interest on
21 the investment of the permanent land funds are appropriated in compliance
22 with the enabling act and the Constitution of Arizona. No part of this
23 appropriation may be spent for supplemental life insurance or supplemental
24 retirement.

25 The biomedical research funding shall be distributed to a nonprofit
26 medical research foundation in this state that collaborates with
27 universities, hospitals and biotechnology and health research centers. A
28 nonprofit foundation that receives monies shall submit an expenditure and
29 performance report to Northern Arizona university. The university shall
30 transmit the report to the joint legislative budget committee and the
31 director of the governor's office of strategic planning and budgeting on
32 or before February 1, 2024. The report must include at least the
33 following:

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

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

40 3. Performance measures, including:

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

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

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

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

4 Any appropriated monies allocated by the university for the economic
 5 policy institute may not supplant any existing state funding or private or
 6 external donations to the institute or to the university. The
 7 appropriated monies and all private and external donations for the
 8 institute, including any remaining balances from prior fiscal years, shall
 9 be deposited in a separate account, shall be used only for the direct
 10 operation of the institute and may not be used for indirect costs of the
 11 university. On or before October 1, 2023, the institute shall submit to
 12 the president of the senate, the speaker of the house of representatives,
 13 the chairpersons of the senate education committee and the house of
 14 representatives education committee and the director of the joint
 15 legislative budget committee a report that includes at least the following
 16 information for the institute:

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

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

25 The legislature intends that appropriated monies allocated by the
 26 university for the economic policy institute in fiscal year 2023-2024 be
 27 consistent with the amount appropriated in fiscal year 2022-2023.

28 Sec. 93. UNIVERSITY OF ARIZONA

	<u>2023-24</u>
29	
30	<u>Main campus</u>
31	FTE positions 6,294.5
32	Operating lump sum appropriation \$570,417,400
33	Agriculture 38,651,000
34	Arizona cooperative extension 17,619,900
35	Arizona financial aid trust 2,729,400
36	Arizona geological survey 1,148,500
37	College of veterinary medicine 8,000,000
38	Kazakhstan studies program 250,000
39	Mining, mineral and natural
40	resources educational museum 438,700
41	On-farm irrigation efficiency
42	fund deposit 15,200,000
43	Natural resource users law and
44	policy center 1,559,500
45	School of mining 4,476,000

1	Sierra Vista campus	5,031,700
2	Space analog for the Moon and Mars	1,500,000
3	Veterinary diagnostic laboratory	<u>2,500,000</u>
4	Total – main campus	\$669,522,100
5	Fund sources:	
6	State general fund	\$286,710,800
7	University collections fund	382,811,300
8	<u>Health sciences center</u>	
9	FTE positions	1,112.4
10	Operating lump sum appropriation	\$100,127,400
11	AZ REACH	500,000
12	Board of medical student loans	2,000,000
13	Clinical rural rotation	353,600
14	Clinical teaching support	8,587,000
15	Fall prevention studies	1,000,000
16	Liver research institute	440,400
17	Phoenix medical campus	32,394,600
18	Telemedicine network	<u>1,670,000</u>
19	Total – health sciences center	\$147,073,000
20	Fund sources:	
21	State general fund	\$ 80,397,700
22	University collections fund	<u>66,675,300</u>
23	Total appropriation - university of	
24	Arizona	\$816,595,100
25	Fund sources:	
26	State general fund	\$367,108,500
27	University collections fund	449,486,600

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

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

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

35 Of the amount appropriated to the university of Arizona operating
 36 budget, \$16,300,000 is onetime funding. On or before September 1, 2023,
 37 the university of Arizona shall provide a detailed expenditure plan to the
 38 joint legislative budget committee that includes a description of the
 39 intended purposes and the estimated costs of each expenditure.

40 Of the amount appropriated for the Arizona cooperative extension
 41 line item, \$1,000,000 shall be used for the agricultural workforce
 42 development program.

1 The university of Arizona may not use monies appropriated for the
2 Arizona geological survey line item for any other purpose and may not
3 transfer the monies appropriated for the Arizona geological survey to the
4 operating budget or any other line item.

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

11 The amount appropriated for the AZ REACH line item shall be used to
12 provide medical care transfer services for hospitals with less than twenty
13 beds.

14 Any appropriated monies allocated by the university for the center
15 for the philosophy of freedom may not supplant any existing state funding
16 or private or external donations to the center or the philosophy
17 department of the university of Arizona. The appropriated monies and all
18 private and external donations for the center, including any remaining
19 balances from prior fiscal years, shall be deposited in a separate
20 account, shall be used only for the direct operation of the center and may
21 not be used for indirect costs of the university. On or before October 1,
22 2023, the center shall submit a report to the president of the senate, the
23 speaker of the house of representatives, the chairpersons of the senate
24 education committee and the house of representatives education committee
25 and the director of the joint legislative budget committee that includes
26 at least the following information for the center:

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

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

35 The legislature intends that appropriated monies allocated by the
36 university for the center for the philosophy of freedom in fiscal year
37 2023-2024 be consistent with the amount appropriated in fiscal year
38 2022-2023.

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

- 45 1. The current number of students who are residents of this state.

1 2. The current number of students who are not residents of this
2 state.

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

6 The amount appropriated for the natural resource users law and
7 policy center line item shall be used by the natural resource users law
8 and policy center within the Arizona cooperative extension. Of the amount
9 appropriated, at least \$500,000 shall be used to assist claimants in the
10 general stream adjudication of water rights pursuant to section 15-1647,
11 Arizona Revised Statutes.

12 One hundred percent of the land earnings and interest from the
13 school of mines land fund shall be distributed to the university of
14 Arizona school of mining and mineral resources in compliance with the
15 enabling act and the Constitution of Arizona.

16 The amount appropriated for the space analog for the Moon and Mars
17 line item shall be used for the continued progression of the space analog
18 for the Moon and Mars program at Biosphere 2 at the university of Arizona.
19 The legislature intends that the amount appropriated in fiscal year
20 2023-2024 be used to fund the continued progression of the program across
21 fiscal years 2023-2024, 2024-2025 and 2025-2026.

22 Any unencumbered balances remaining in the university collections
23 fund on June 30, 2023 and all collections received by the university
24 during the fiscal year are appropriated for operating expenditures,
25 capital outlay and fixed charges. Earnings on state lands and interest on
26 the investment of the permanent land funds are appropriated in compliance
27 with the enabling act and the Constitution of Arizona. No part of this
28 appropriation may be spent for supplemental life insurance or supplemental
29 retirement.

30 Sec. 94. DEPARTMENT OF VETERANS' SERVICES

	<u>2023-24</u>
31 FTE positions	792.3
32 Operating lump sum appropriation	\$ 2,924,900
33 Arizona state veterans' homes	60,559,500
34 Arizona state veterans' cemeteries	977,500
35 Gila county veterans retreat	3,000,000*
36 Rural tribal nations veteran	
37 benefit counseling	2,200,000
38 Veterans' benefit counseling	3,685,700
39 Tribal connectivity project	1,500,000
40 Veteran suicide prevention training	
41 pilot program	600,000*
42 Veterans' support services	1,226,100
43	

1	Veterans' trauma treatment	
2	services	450,000
3	Homeless veterans'	
4	reintegration program	<u>5,000,000</u>
5	Total appropriation – department of	
6	veterans' services	\$ 82,123,700
7	Fund sources:	
8	State general fund	\$ 21,564,200
9	State home for veterans' trust	
10	fund	60,559,500

11 Of the amount appropriated for the Arizona state veterans'
 12 cemeteries line item, \$15,000 is allocated to provide burial services in
 13 state veterans' cemeteries for members of the Arizona national guard and
 14 the United States armed forces reserves if the member's service was
 15 terminated under honorable conditions as authorized by the burial equity
 16 for guards and reserves act (P.L. 117-103; 136 STAT. 1109).

17 Monies appropriated for the Gila county veterans retreat line item
 18 shall be distributed to Gila county for the Pleasant Valley veterans
 19 retreat.

20 Monies appropriated for the rural tribal nations veteran benefit
 21 counseling line item shall be used for veterans' services officers to
 22 provide services in rural tribal nations in this state that have
 23 communities that are located one hundred miles or more from the nearest
 24 United States department of veterans' affairs service center.

25 Monies appropriated for the tribal connectivity project line item
 26 shall be used to expand the telecommunications and satellite internet
 27 capabilities of chapter houses in rural tribal nations to increase access
 28 to services and benefits.

29 Monies appropriated for the veteran suicide prevention training
 30 pilot program line item shall be used to offer claims examiners and county
 31 and municipal veteran service officers specialized training and
 32 certification in preventing veteran suicides. The department of veterans'
 33 services shall contract with an organization that has experience in
 34 developing and implementing veteran-relevant and evidence-based suicide
 35 prevention training to develop the training curriculum. The department
 36 shall establish and oversee the process for selecting participants and
 37 certifying participants for successful training completion. The program
 38 shall train participants to identify indicators of elevated suicide risk
 39 in veterans and provide emergency crisis referrals for veterans who are
 40 expressing or exhibiting symptoms of emotional or psychological distress.
 41 The department shall adopt rules necessary to implement the pilot program.
 42 On or before July 30, 2024, the department shall submit a report to the
 43 president of the senate and the speaker of the house of representatives
 44 that includes information concerning the pilot program and whether any

1 changes should be made to the pilot program to increase the program's
 2 effectiveness.

3 The amount appropriated for veterans' support services line item
 4 shall be distributed to a nonprofit veterans' services organization that
 5 provides support services among this state's military and veteran
 6 population. The department may spend up to \$76,500 of this appropriation
 7 to hire a program specialist to liaise between the department and the
 8 selected nonprofit organization. Before the expenditure of the monies,
 9 the department shall submit an expenditure report to the joint legislative
 10 budget committee that includes the status of non-state matching grant
 11 monies.

12 Monies appropriated for the veterans' trauma treatment services line
 13 item shall be used to provide grants to contractors as defined in section
 14 36-2901, Arizona Revised Statutes, that provide trauma treatment services
 15 training to any of the following health professionals licensed pursuant to
 16 title 32, Arizona Revised Statutes:

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

25 Monies appropriated for the homeless veterans' reintegration program
 26 line item shall be used to provide services that assist in reintegrating
 27 homeless veterans into meaningful employment within the labor force and to
 28 stimulate the development of effective service delivery systems that
 29 address the complex problems facing homeless veterans.

30	Sec. 95. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD	
31		<u>2023-24</u>
32	FTE positions	7.0
33	Lump sum appropriation	\$ 769,000
34	Fund sources:	
35	Veterinary medical examining	
36	board fund	\$ 769,000
37	Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA	
38		<u>2023-24</u>
39	Water projects assistance grants	\$ 3,000,000
40	Gilbert wells project	27,800,000
41	Glendale irrigation and xeriscaping	810,000
42	Little Colorado River levee	20,000,000
43	Mohave wash recharge basin	3,400,000

1	Peoria wells project	<u>10,000,000</u>
2	Total appropriation – water infrastructure	
3	finance authority of Arizona	\$ 65,010,000
4	Fund sources:	
5	State general fund	\$ 65,010,000

6 The water projects assistance grants are allocated to provide
7 financial assistance to cities and towns that provide water in Navajo and
8 Apache counties and to provide financial assistance to irrigation
9 districts in Cochise and Graham counties to contract for services of
10 outside advisors, attorneys, consultants and aides that are reasonably
11 necessary to enable these cities and towns and irrigation districts to
12 adequately perform their duties.

13 Of the amount appropriated to the water projects assistance grants
14 line item, \$1,000,000 is allocated to provide financial assistance to
15 cities and towns that provide water in Navajo and Apache counties to
16 contract for services of outside advisors, attorneys, consultants and
17 aides that are reasonably necessary or desirable to enable the cities and
18 towns to adequately perform their duties.

19 Of the amount appropriated to the water projects assistance grants
20 line item, \$1,000,000 is allocated to provide financial assistance to
21 irrigation districts in Graham county to contract for services of outside
22 advisors, attorneys, consultants and aides that are reasonably necessary
23 or desirable to enable the irrigation districts to adequately perform
24 their duties.

25 Of the amount appropriated to the water projects assistance grants
26 line item, \$1,000,000 is allocated to provide financial assistance to
27 irrigation districts in Cochise county along the San Pedro River to
28 contract for services of outside advisors, attorneys, consultants and
29 aides that are reasonably necessary or desirable to enable the irrigation
30 districts to adequately perform their duties.

31 The applications for these monies shall be presented for approval to
32 the water infrastructure finance authority of Arizona and the authority
33 shall distribute these monies to the qualified entities before December
34 31, 2023.

35 The water infrastructure finance authority of Arizona shall
36 distribute the monies in the Gilbert wells project line item to the town
37 of Gilbert for the rehabilitation and drilling of new water wells.

38 The water infrastructure finance authority of Arizona shall
39 distribute the monies in the Glendale irrigation and xeriscaping line item
40 to the city of Glendale for irrigation system and xeriscaping.

41 The water infrastructure finance authority of Arizona shall
42 distribute the monies in the Little Colorado River levee line item to the
43 city of Winslow to reconstruct the Little Colorado River levee.

1 The water infrastructure finance authority of Arizona shall
 2 distribute the monies in the Mohave wash recharge basin line item to
 3 Mohave county to design and construct the Mohave wash recharge basin.

4 The water infrastructure finance authority of Arizona shall
 5 distribute the monies in the Peoria wells project line item to the city of
 6 Peoria for new water wells and water infrastructure projects.

7 Sec. 97. DEPARTMENT OF WATER RESOURCES

	<u>2023-24</u>
8 FTE positions	179.0
9 Operating lump sum appropriation	\$ 15,228,500
10 Adjudication support	1,900,600
11 Arizona water protection fund	
12 deposit	1,250,000
13 Assured and adequate water supply	
14 administration	2,513,400
15 Brackish groundwater study	100,000*
16 Brackish groundwater recovery pilot	
17 program	11,000,000*
18 Rural water studies	1,290,800
19 Conservation and drought program	430,300
20 Automated groundwater monitoring	418,600
21 Colorado River legal expenses	500,000*
22 Water supply and demand assessment	3,500,000
23 Santa Rosa canal groundwater	
24 delivery	25,000,000*
25 Statewide water resources planning	<u>5,000,000</u>
26 Total appropriation - department of water	
27 resources	\$ 68,132,200
28 Fund sources:	
29 State general fund	\$ 66,114,500
30 Water resources fund	1,726,500
31 Assured and adequate water	
32 supply administration fund	291,200

33 Monies in the assured and adequate water supply administration line
 34 item may be used only for the exclusive purposes prescribed in sections
 35 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
 36 department of water resources may not transfer any monies into or out of
 37 the assured and adequate water supply administration line item.

38 The department of water resources shall use the monies in the
 39 brackish groundwater study line item to review and update information
 40 contained in studies on the availability of brackish groundwater in this
 41 state.
 42

1 Of the \$11,000,000 allocated to the brackish groundwater recovery
2 pilot program line item, \$2,000,000 is allocated to the department of
3 water resources for a brackish groundwater desalination demonstration
4 program and to develop a base of knowledge to enhance groundwater recovery
5 through desalination in this state's active management areas. The
6 department shall locate this pilot program within the department's active
7 management area section and a portion of the monies may be used for
8 staffing. The department shall organize the program following the model
9 of work undertaken by the Texas water development board to further the use
10 and development of cost-effective desalination technologies.

11 Of the \$11,000,000 allocated to the brackish groundwater recovery
12 pilot program line item, \$9,000,000 is allocated for matching participants
13 dollar-for-dollar for brackish groundwater desalination projects within
14 active management areas undertaken for the benefit of those receiving
15 water from the central Arizona project. The central Arizona project shall
16 receive three dollars for every dollar it contributes to this pilot
17 program.

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

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

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

31 On or before July 31, 2024, the department of water resources shall
32 report to the joint legislative budget committee and the governor's office
33 of strategic planning and budgeting on the uses of the monies appropriated
34 to the statewide water resources planning line item.

35 The department of water resources shall use the monies in the Santa
36 Rosa canal groundwater delivery line item to distribute equally between
37 the irrigation districts that are constructing infrastructure in
38 furtherance of the purposes of the settlement between the
39 Maricopa-Stanfield irrigation and drainage district, the central Arizona
40 irrigation and drainage district and the Ak-Chin Indian community and with
41 respect to the delivery of groundwater by the districts by means other
42 than the Santa Rosa canal.

1 Fiscal Year 2022-2023 Appropriation Adjustments

2 Sec. 98. Supplemental appropriation; department of
3 administration; risk management revolving fund;
4 review; fiscal year 2022-2023

5 A. In addition to any other appropriations made in fiscal year
6 2022-2023, the sum of \$3,107,700 is appropriated from the risk management
7 revolving fund established by section 41-622, Arizona Revised Statutes, in
8 fiscal year 2022-2023 to the department of administration for the
9 following purposes:

- 10 1. To pay disallowed costs relating to excess retained earnings.
- 11 2. To pay disallowed costs relating to the statewide information
- 12 technology charges.
- 13 3. For fund transfers in fiscal year 2021-2022.
- 14 4. To pay interest owed from prior-year disallowed costs.

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

21 Sec. 99. Supplemental appropriation; Arizona commission of
22 African-American affairs; fiscal year 2022-2023

23 In addition to any other appropriations made in fiscal year
24 2022-2023, the sum of \$15,000 is appropriated from the state general fund
25 in fiscal year 2022-2023 to the Arizona commission of African-American
26 affairs to address an operating shortfall.

27 Sec. 100. Supplemental appropriation; fund balance transfer;
28 automation projects fund; fiscal year 2022-2023

29 The sum of \$1,750,000 is transferred from the personnel division
30 fund established by section 41-750, Arizona Revised Statutes in fiscal
31 year 2022-2023 for deposit in the human resources information system
32 subaccount in the automation projects fund established pursuant to section
33 41-714, Arizona Revised statutes to replace the state human resources
34 information system.

35 Sec. 101. Supplemental appropriation reduction; Arizona
36 health care cost containment system
37 administration; facility construction; fiscal
38 year 2022-2023

39 In addition to any other appropriations made in fiscal year
40 2022-2023, the sum of \$(25,000,000) is reduced from appropriations made
41 from the state general fund in fiscal year 2022-2023 to the Arizona health
42 care cost containment system administration to remove funding for the
43 construction of secure behavioral health residential facilities.

1 fiscal year 2022-2023 to the department of public safety motor vehicle
2 fuel line item to address inflationary increases in fuel costs.

3 Sec. 108. Supplemental appropriation; department of
4 transportation; highway maintenance; fiscal year
5 2022-2023

6 In addition to any other appropriations made in fiscal year
7 2022-2023, the sum of \$15,200,000 is appropriated from the state highway
8 fund established by section 28-6991, Arizona Revised Statutes, in fiscal
9 year 2022-2023 to the department of transportation highway maintenance
10 line item to address highway maintenance due to the winter months.

11 Sec. 109. Appropriations; lapsing; exemption; fiscal year
12 2022-2023

13 The following amounts appropriated in the agency lump sum
14 appropriations in fiscal year 2022-2023 to the following agencies pursuant
15 to Laws 2022, chapter 313 are exempt from the provisions of section
16 35-190, Arizona Revised Statutes, relating to the lapsing of
17 appropriations, until June 30, 2024, for the purposes of e-licensing
18 system upgrades:

19	1. Acupuncture board of examiners	\$ 5,500
20	2. Board of athletic training	\$ 9,700
21	3. Barbering and cosmetology board	\$354,400
22	4. Board of behavioral health examiners	\$ 65,700
23	5. State board of chiropractic examiners	\$ 11,100
24	6. State board of dental examiners	\$ 52,300
25	7. State board of funeral directors and embalmers	\$ 18,000
26	8. Department of insurance and	
27	financial institutions	\$700,000
28	9. Board of homeopathic and integrated	
29	medicine examiners	\$ 2,400
30	10. Board of massage therapy	\$ 60,300
31	11. Arizona medical board	\$173,600
32	12. Naturopathic physicians medical board	\$ 5,200
33	13. Board of examiners of nursing care	
34	institution administrators and	
35	assisted living facility managers	\$ 45,100
36	14. Board of occupational therapy examiners	\$ 34,100
37	15. Arizona board of osteopathic examiners	
38	in medicine and surgery	\$ 17,800
39	16. State board of dispensing opticians	\$ 16,300
40	17. State board of optometry	\$ 7,500
41	18. Arizona state board of pharmacy	\$190,500
42	19. Board of physical therapy	\$ 53,600
43	20. State board of podiatry examiners	\$ 4,500
44	21. Board for private postsecondary education	\$ 2,500
45	22. State board of psychologist examiners	\$ 18,000

1	23. Board of respiratory care examiners	\$ 45,900
2	24. State board of technical registration	\$167,700
3	25. Arizona state veterinary medical examining	
4	board	\$ 24,600
5	Sec. 110. <u>Appropriation; border security fund; additional</u>	
6	<u>uses</u>	

7 In addition to the uses prescribed in Laws 2022, chapter 334, the
8 monies deposited pursuant to Laws 2022, chapter 334 in the border security
9 fund established by section 26-105, Arizona Revised Statutes, may also be
10 used for any other purpose authorized by section 26-105, Arizona Revised
11 Statutes.

12 Fiscal Year 2023-2024 Appropriations

13 Sec. 111. Appropriation; reduction; water infrastructure
14 finance authority of Arizona; fiscal year
15 2023-2024

16 The appropriation made in Laws 2022, chapter 366, section 32, to the
17 long-term water augmentation fund established by section 49-1302, Arizona
18 Revised Statutes, in fiscal year 2023-2024 is reduced by \$(143,800,000).

19 Sec. 112. Appropriations; department of administration;
20 counties; allocations; report; fiscal year
21 2023-2024

22 A. The sum of \$7,150,650 is appropriated from the state general
23 fund in fiscal year 2023-2024 to the department of administration for
24 distribution to counties to maintain essential county services. The
25 department shall allocate the appropriation equally among all counties
26 with a population of less than nine hundred thousand persons according to
27 the 2020 United States decennial census.

28 B. The sum of \$500,000 is appropriated from the state general fund
29 in fiscal year 2023-2024 to the department of administration for
30 distribution to Graham county to maintain essential county services.

31 C. The sum of \$3,000,000 is appropriated from the state general
32 fund in fiscal year 2023-2024 to the department of administration for
33 distribution to counties to supplement the normal cost plus an amount to
34 amortize the unfunded accrued liability pursuant to section 38-810,
35 subsection C, Arizona Revised Statutes. The department shall allocate the
36 appropriation equally among all counties with a population of less than
37 three hundred thousand persons according to the 2020 United States
38 decennial census. The counties may use these monies only for required
39 employer contributions to the elected officials' retirement plan.

40 D. The sum of \$7,000,000 is appropriated from the state general
41 fund in fiscal year 2023-2024 to the department of administration for
42 distribution to counties to establish a coordinated reentry planning
43 services program.

1 include procedures to protect taxpayer confidentiality under applicable
2 state and federal law.

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

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

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

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

29 G. As part of the department of administration's request for
30 expenditure review pursuant to section 41-714, Arizona Revised Statutes
31 shall, the department shall also submit a report for review of the
32 agency's plan to support the business one-stop project through its
33 completion, including plans for how the new system will integrate with the
34 business one-stop solution.

35 H. The following amounts are appropriated from the
36 judiciary-supreme court subaccount in the automation projects fund
37 established pursuant to section 41-714, Arizona Revised Statutes, in
38 fiscal year 2023-2024 to the Arizona supreme court for the following
39 automation and information projects:

- 40 1. \$3,270,000 to replace the probation case management system.
- 41 2. \$2,500,000 for a statewide community supervision electronic
42 monitoring system.

1 Quarterly Reports

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

8 Nonlapsing

9 J. The amount appropriated pursuant to this section from the
10 automation projects fund established by section 41-714, Arizona Revised
11 Statutes, in fiscal year 2023-2024 is exempt from the provisions of
12 section 35-190, Arizona Revised Statutes, relating to lapsing of
13 appropriations, until June 30, 2025.

14 K. Notwithstanding Laws 2021, chapter 408, section 117, the
15 following amounts appropriated from the automation projects fund
16 established pursuant to section 41-714, Arizona Revised Statutes, in
17 fiscal year 2021-2022 to the department of administration by Laws 2021,
18 chapter 408, section 117 are exempt from the provisions of section 35-190,
19 Arizona Revised Statutes, relating to lapsing of appropriations, until
20 June 30, 2024:

21 1. \$7,758,900 from the department of administration subaccount in
22 the automation projects fund established pursuant to section 41-714,
23 Arizona Revised Statutes, to develop a business one-stop web portal.

24 2. \$9,000,000 appropriated from the department of economic security
25 subaccount in the automation projects fund established pursuant to section
26 41-714, Arizona Revised Statutes, to update the childcare management
27 system at the department of economic security.

28 3. \$550,000 appropriated from the department of public safety
29 subaccount in the automation projects fund established pursuant to section
30 41-714, Arizona Revised Statutes, to the department of administration to
31 update the concealed weapons tracking system at the department of public
32 safety.

33 Sec. 114. Department of economic security; loans;
34 reimbursement; prohibition; fiscal year 2023-2024

35 On or after April 1, 2024, the department of economic security may
36 use up to \$25,000,000 from the budget stabilization fund established by
37 section 35-144, Arizona Revised Statutes, for the purpose of providing
38 funding for reimbursement grants. Before using the monies from the budget
39 stabilization fund, the department shall notify the director of the joint
40 legislative budget committee and the director of the governor's office of
41 strategic planning and budgeting. This appropriation must be fully
42 reimbursed on or before September 1, 2024 and must be reimbursed in full
43 as part of the closing process for fiscal year 2023-2024. The department
44 shall notify the joint legislative budget committee of the reimbursement

1 on or before September 1, 2024. The appropriation may not be used for
2 additional programmatic expenditures.

3 Sec. 115. Appropriation; Arizona power authority; resource
4 planning and needs assessment; exemption; use

5 A. The sum of \$1,000,000 is appropriated from the state general
6 fund in fiscal year 2023-2024 to the Arizona power authority to conduct
7 resource planning and a needs assessment on behalf of willing Arizona
8 power authority customers and other nonprofit electric service providers
9 in this state.

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

13 C. If the purpose for which the appropriation made in subsection A
14 of this section is accomplished, all monies remaining unexpended and
15 unencumbered may be used by the Arizona power authority for any action
16 that is authorized pursuant to title 30, Arizona Revised Statutes.

17 Sec. 116. Appropriations; state treasurer; local government
18 distributions; fiscal year 2023-2024

19 The following amounts are appropriated from the state general fund
20 in fiscal year 2023-2024 to the state treasurer for the following:

21 1. \$2,500,000 to distribute to county sheriffs for search and
22 rescue-related equipment to enhance the sheriff's search and rescue
23 mission capabilities as follows:

- 24 (a) Cochise county, not more than eighteen percent.
- 25 (b) Coconino county, not more than twenty-one percent.
- 26 (c) Gila county, not more than two and one-half percent.
- 27 (d) Greenlee county, not more than one-half percent.
- 28 (e) Mohave county, not more than twenty-one percent.
- 29 (f) Navajo county, not more than one-half percent.
- 30 (g) Pinal county, not more than twenty-two percent.
- 31 (h) Yavapai county, not more than thirteen and one-half percent.
- 32 (i) Apache, Graham, La Paz, Maricopa, Pima, Santa Cruz and Yuma
33 counties, not more than a total of one percent distributed on a
34 first-come, first-served basis.

35 2. \$9,000,000 to distribute to Mohave county for capital
36 improvements to the following:

- 37 (a) Lake Havasu substation.
- 38 (b) Boating safety center on Lake Havasu.
- 39 (c) Mohave Valley substation.
- 40 (d) Beaver Dam substation.
- 41 3. \$860,000 to distribute to La Paz county for the following:
42 (a) Server replacement.
43 (b) Public safety dock and boat lifts.
44 (c) Salome substation roof.

- 1 4. \$500,000 to distribute to the Mohave county sheriff's office for
2 vehicle purchases.
- 3 5. \$3,000,000 to distribute for police department support as
4 follows:
 - 5 (a) \$2,000,000 to the Wickenburg police department.
 - 6 (b) \$1,000,000 to the Hayden police department.
 - 7 (c) The appropriated amounts may not be used to supplant any
8 existing local funding for police.
- 9 6. \$750,000 to distribute to the Copper Canyon fire and medical
10 district to offset COVID-related expenses.
- 11 7. \$3,500,000 to distribute to the Peoria police department for the
12 purchase of a public safety helicopter.
- 13 8. \$1,500,000 to distribute to the Peoria police department for a
14 mobile command center.
- 15 9. \$3,500,000 to distribute to the city of Prescott and the town of
16 Prescott Valley as follows:
 - 17 (a) \$1,750,000 to the city of Prescott.
 - 18 (b) \$1,750,000 to the town of Prescott Valley.
 - 19 (c) The state treasurer may not distribute the monies appropriated
20 by this paragraph until Yavapai county, the city of Prescott and the town
21 of Prescott Valley jointly demonstrate to the state treasurer that the
22 county, city and town have a commitment for matching monies of gifts,
23 grants and donations in the amount of at least \$3,500,000 for the
24 Glassford Dells regional park from sources other than this state.
- 25 10. \$1,400,000 to distribute to the city of Wickenburg for fire
26 station upgrades.
- 27 11. \$8,987,000 to distribute to the city of Flagstaff for post-fire
28 mitigation, including detention basin maintenance and operation, and
29 drainage capital improvement projects.
- 30 12. \$750,000 to distribute to the town of Snowflake for a sewer
31 main lift station replacement.
- 32 13. \$3,214,500 to distribute to the city of Glendale for a veterans
33 community project.
- 34 14. \$126,200 to distribute to counties for property owner
35 notification systems as follows:
 - 36 (a) \$10,000 to Apache county.
 - 37 (b) \$10,000 to Cochise county.
 - 38 (c) \$17,000 to Coconino county.
 - 39 (d) \$7,200 to Gila county.
 - 40 (e) \$10,000 to Graham county.
 - 41 (f) \$10,000 to Greenlee county.
 - 42 (g) \$10,000 to La Paz county.
 - 43 (h) \$25,000 to Mohave county.
 - 44 (i) \$10,000 to Navajo county.
 - 45 (j) \$10,000 to Santa Cruz county.

1 (k) \$7,000 to Yuma county.

2 15. \$750,000 to distribute to police departments for a pepper ball
3 pilot program as follows:

4 (a) \$250,000 to the Chandler police department.

5 (b) \$250,000 to the Tucson police department.

6 (c) \$250,000 to the Mesa police department.

7 The pepper ball pilot program is intended to test a nonlethal
8 compliance tool that can be deployed at a distance of greater than twenty
9 feet and that does not cause significant bodily injury.

10 16. \$850,000 to distribute to the Maricopa association of
11 governments for a Sun City transportation project study.

12 17. \$10,050,000 to distribute to the Maricopa association of
13 governments for the relocation of utilities related to the construction of
14 State Route 30.

15 18. \$500,000 to distribute to the town of Kearny for public
16 building remediation.

17 19. \$1,000,000 to distribute to the Vernon fire district for
18 equipment and operations.

19 20. \$2,000,000 to distribute to the Chandler police department for
20 new technology, building out services and officer wellness.

21 Sec. 117. Appropriations; state treasurer; firearm training
22 simulators; fiscal year 2023-2024

23 A. The sum of \$1,368,000 is appropriated from the peace officer
24 training equipment fund established by section 41-1731, Arizona Revised
25 Statutes, in fiscal year 2023-2024 to the state treasurer for firearm
26 training simulators.

27 B. The state treasurer shall distribute the monies appropriated in
28 subsection A of this section in the following amounts to the following
29 recipients:

30 1. \$300,000 to the Phoenix police department.

31 2. \$300,000 to the Mohave county probation department.

32 3. \$138,000 to the Casa Grande police department

33 4. \$330,000 to the Maricopa county sheriff's office.

34 5. \$300,000 to the Navajo county sheriff's office.

35 Sec. 118. Appropriations; state treasurer; nonprofit
36 organizations; fiscal year 2023-2024

37 The following amounts are appropriated from the state general fund
38 in fiscal year 2023-2024 to the state treasurer for the following:

39 1. \$10,000,000 to distribute to a nonprofit organization that is
40 designated as an international dark sky discovery center and that is
41 focused on dark sky preservation in this state.

42 2. \$15,300,000 to distribute to a nonprofit volunteer organization
43 that operates a rodeo at the Yavapai county fairgrounds.

1 3. \$5,600,000 to distribute to a nonprofit organization that
2 operates an astronomy center and observatory that is open to the public in
3 northern Arizona.

4 Sec. 119. Phoenix convention center; allocation; fiscal year
5 2023-2024

6 Pursuant to section 9-602, Arizona Revised Statutes, \$25,498,600 of
7 state general fund revenue is allocated in fiscal year 2023-2024 to the
8 Arizona convention center development fund established by section 9-601,
9 Arizona Revised Statutes.

10 Sec. 120. Rio Nuevo multipurpose facility district; estimated
11 distribution; fiscal year 2023-2024

12 Pursuant to section 42-5031, Arizona Revised Statutes, a portion of
13 the state transaction privilege tax revenues will be distributed to a
14 multipurpose facility district. The Rio Nuevo multipurpose facility
15 district is estimated to receive \$16,000,000 in fiscal year 2023-2024.
16 The actual amount of the distribution will be made pursuant to section
17 42-5031, Arizona Revised Statutes.

18 Fund Balance Transfers

19 Sec. 121. Appropriations; fund balance transfers; automation
20 projects fund; fiscal year 2023-2024

21 A. The sum of \$20,647,800 is appropriated from all other state fund
22 sources in fiscal year 2023-2024 for deposit in the human resources
23 information system subaccount in the automation projects fund established
24 pursuant to section 41-714, Arizona Revised Statutes, for the replacement
25 of the human resources information system. The department of
26 administration shall allocate to each agency or department an amount for
27 the human resources information system replacement in the same manner as
28 allocated in Laws 2022, chapter 313, section 123 based on each state
29 fund's proportional share of payments to the personnel division fund
30 established pursuant to section 41-750, Arizona Revised Statutes.

31 B. The sum of \$15,000,000 is transferred from the state general
32 fund in fiscal year 2023-2024 for deposit in the health and human services
33 information system subaccount in the automation projects fund established
34 pursuant to section 41-714, Arizona Revised Statutes, for statewide health
35 and human services information technology projects.

36 C. The sum of \$2,000,000 is transferred from the state general fund
37 in fiscal year 2023-2024 for deposit in the department of administration
38 subaccount in the automation projects fund established pursuant to section
39 41-714, Arizona Revised Statutes, for the K-12 school financial
40 transparency reporting portal.

41 D. The sum of \$7,000,000 is transferred from the securities
42 regulatory and enforcement fund established by section 44-2039, Arizona
43 Revised Statutes, in fiscal year 2023-2024 for deposit in the corporation
44 commission subaccount in the automation projects fund established pursuant

1 to section 41-714, Arizona Revised Statutes, to replace the department's
2 online records and filing system.

3 E. The sum of \$494,500 is transferred from the concealed weapons
4 permit fund established by section 41-1722, Arizona Revised Statutes, in
5 fiscal year 2023-2024 for deposit in the department of public safety
6 subaccount in the automation projects fund established pursuant to section
7 41-714, Arizona Revised Statutes, to replace the concealed weapons
8 tracking system.

9 F. The following amounts are transferred from the following funds
10 in fiscal year 2023-2024 for deposit in the department of revenue
11 subaccount in the automation projects fund established pursuant to section
12 41-714, Arizona Revised Statutes, to implement the integrated tax system
13 modernization project:

14 1. \$11,794,100 from the state general fund.

15 2. \$7,575,300 from the department of revenue integrated tax system
16 project fund established by section 42-5041, Arizona Revised Statutes.

17 G. The sum of \$3,270,000 is transferred from the state general fund
18 in fiscal year 2023-2024 for deposit in the judiciary-supreme court
19 subaccount in the automation projects fund established pursuant to section
20 41-714, Arizona Revised Statutes, to replace the probation case management
21 system.

22 H. The sum of \$2,500,000 is transferred from the state general fund
23 in fiscal year 2023-2024 for deposit in the judiciary-supreme court
24 subaccount in the automation projects fund established pursuant to section
25 41-714, Arizona Revised Statutes, a statewide community supervision
26 electronic monitoring system.

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

31 Payment Deferrals

32 Sec. 122. Reduction in school district state aid
33 apportionment in fiscal year 2023-2024;
34 appropriation in fiscal year 2024-2025

35 A. In addition to any other appropriation reductions made in fiscal
36 year 2023-2024, the department of education shall defer until after June
37 30, 2024 but not later than July 12, 2024 \$800,727,700 of the basic state
38 aid and additional state aid entitlement that otherwise would be
39 apportioned to school districts during fiscal year 2023-2024 pursuant to
40 section 15-973, Arizona Revised Statutes. The funding deferral required
41 by this subsection does not apply to charter schools or to school
42 districts with a student count of less than four thousand pupils. The
43 department of education shall make the deferral by reducing the
44 apportionment of state aid for each month in the fiscal year by the same
45 amount.

1 B. In addition to any other appropriations made in fiscal year
 2 2024-2025, the sum of \$800,727,700 is appropriated from the state general
 3 fund in fiscal year 2024-2025 to the department of education and the
 4 superintendent of public instruction for basic state aid and additional
 5 state aid entitlement for fiscal year 2024-2025. This appropriation shall
 6 be disbursed after June 30, 2024 but not later than July 12, 2024 to the
 7 several counties for the school districts in each county in amounts equal
 8 to the reductions in apportionment of basic state aid and additional state
 9 aid that are required pursuant to subsection A of this section for fiscal
 10 year 2023-2024.

11 C. School districts shall include in the revenue estimates they use
 12 for computing their tax rates for fiscal year 2023-2024 the monies they
 13 will receive pursuant to subsection B of this section.

14 Statewide Adjustments

15 Sec. 123. Appropriations; operating adjustments

	<u>2023-24</u>
17 1. Employer health insurance	
18 contribution reduction	\$ (95,469,000)
19 Fund sources:	
20 State general fund	\$ (63,244,800)
21 Other funds	(32,224,200)
22 2. University health insurance	
23 backfill removal	\$ (40,033,000)
24 Fund sources:	
25 State general fund	\$ (40,033,000)
26 3. Employer health insurance	
27 contribution increase	\$ 103,000,000
28 Fund sources:	
29 State general fund	\$ 73,000,000
30 Other funds	30,000,000
31 4. Agency rent adjustment	\$ (458,100)
32 Fund sources:	
33 State general fund	\$ (558,100)
34 Other funds	100,000
35 5. Agency risk management	
36 adjustments	\$ (54,200)
37 Fund sources:	
38 State general fund	\$ (154,200)
39 Other funds	100,000
40 6. Arizona financial information	
41 system adjustments	\$ 316,700
42 Fund sources:	
43 State general fund	\$ 116,700
44 Other funds	200,000

1	7. Agency retirement adjustment	\$ (21,640,400)
2	Fund sources:	
3	State general fund	\$ 359,600
4	Other funds	(22,000,000)
5	8. Salary increase adjustments	\$ 10,517,000
6	Fund sources:	
7	State general fund	\$ 7,517,000
8	Other funds	3,000,000
9	9. State fleet rate adjustments	\$ 14,195,100
10	Fund sources:	
11	State general fund	\$ 8,195,100
12	Other funds	6,000,000

13 Employer health insurance contribution reduction

14 The amount appropriated is for a onetime employer contribution rate
 15 reduction for employee health insurance in fiscal year 2023-2024. The
 16 joint legislative budget committee staff, in consultation with the
 17 governor's office of strategic planning and budgeting staff, shall
 18 determine and the department of administration shall allocate to each
 19 agency or department an amount for the health insurance contribution
 20 adjustment. The joint legislative budget committee staff shall also
 21 determine and the department of administration shall allocate adjustments,
 22 as necessary, in expenditure authority to implement the reduction in
 23 employer health insurance contribution rates. The joint legislative
 24 budget committee staff shall use the overall allocation of state general
 25 fund and appropriated tuition monies for each university in determining
 26 that university's specific adjustment.

27 University health insurance backfill removal

28 The amount appropriated is for the removal of a onetime university
 29 health insurance backfill to backfill university tuition for employer
 30 health insurance in fiscal year 2023-2024. The joint legislative budget
 31 committee staff, in consultation with the governor's office of strategic
 32 planning and budgeting staff, shall determine and the department of
 33 administration shall allocate to each university an amount for the health
 34 insurance contribution adjustment.

35 Employer health insurance contribution increase

36 The amount appropriated is for a onetime employer contribution rate
 37 increase for employee health insurance in fiscal year 2023-2024. The
 38 joint legislative budget committee staff, in consultation with the
 39 governor's office of strategic planning and budgeting staff, shall
 40 determine and the department of administration shall allocate to each
 41 agency or department an amount for the health insurance contribution
 42 adjustment. The joint legislative budget committee staff shall also
 43 determine and the department of administration shall allocate adjustments,
 44 as necessary, in expenditure authority to implement the increase in
 45 employer health insurance contribution rates.

1 Agency rent adjustments

2 The amount appropriated is for agency rent adjustments for agencies
3 relocating to and within state-owned and lease-purchase buildings in
4 fiscal year 2023-2024. The joint legislative budget committee staff, in
5 consultation with the governor's office of strategic planning and
6 budgeting staff, shall determine and the department of administration
7 shall allocate to each agency or department an amount for the rent
8 adjustment. The joint legislative budget committee staff shall also
9 determine and the department of administration shall allocate adjustments,
10 as necessary, in expenditure authority to allow implementation of the
11 agency rent adjustments.

12 Agency risk management adjustments

13 The amount appropriated is for agency risk management premium
14 adjustments in fiscal year 2023-2024. The joint legislative budget
15 committee staff, in consultation with the governor's office of strategic
16 planning and budgeting staff, shall determine and the department of
17 administration shall allocate to each agency or department an amount for
18 the risk management adjustments. The joint legislative budget committee
19 staff shall also determine and the department of administration shall
20 allocate adjustments, as necessary, in expenditure authority to allow
21 implementation of the risk management adjustments.

22 Arizona financial information system adjustments

23 The amount appropriated is for upgrades to the Arizona financial
24 information system in fiscal year 2023-2024. The joint legislative budget
25 committee staff, in consultation with the governor's office of strategic
26 planning and budgeting staff, shall determine and the department of
27 administration shall allocate to each agency or department an amount for
28 the Arizona financial information system collection charge. The joint
29 legislative budget committee staff shall also determine and the department
30 of administration shall allocate adjustments, as necessary, in expenditure
31 authority to allow for the payment of Arizona financial information system
32 charges.

33 Agency retirement adjustments

34 The amount appropriated is for retirement adjustments in fiscal year
35 2023-2024. The amount appropriated from the state general fund excludes
36 retirement adjustments for the state department of corrections, department
37 of juvenile corrections and department of public safety. The amount
38 appropriated from other funds includes adjustments for all state agencies.
39 The joint legislative budget committee staff, in consultation with the
40 governor's office of strategic planning and budgeting staff, shall
41 determine and the department of administration shall allocate to each
42 agency or department an amount for the agency retirement adjustments. The
43 joint legislative budget committee staff shall also determine and the
44 department of administration shall allocate adjustments, as necessary, in

1 expenditure authority to allow implementation of the agency retirement
2 adjustments.

3 Salary increase adjustments

4 The amount appropriated is for agency budget corrections in fiscal
5 year 2023-2024 relating to the salary increases implemented during fiscal
6 year 2022-2023. The joint legislative budget committee staff, in
7 consultation with the governor's office of strategic planning and
8 budgeting staff, shall determine and the department of administration
9 shall allocate to each agency or department an amount for salary increase
10 adjustment. The joint legislative budget committee staff shall also
11 determine and the department of administration shall allocate adjustments,
12 as necessary, in expenditure authority for salary increase adjustments.

13 State fleet rate adjustments

14 The amount appropriated is for a onetime state fleet rate adjustment
15 in fiscal year 2023-2024. The joint legislative budget committee staff,
16 in consultation with the governor's office of strategic planning and
17 budgeting staff, shall determine and the department of administration
18 shall allocate to each agency or department an amount for the state fleet
19 rate adjustment. The joint legislative budget committee staff shall also
20 determine and the department of administration shall allocate adjustments,
21 as necessary, in expenditure authority for the state fleet rate
22 adjustment.

23 Sec. 124. Department of law; general agency counsel charges;
24 fiscal year 2023-2024

25 Pursuant to section 41-191.09, Arizona Revised Statutes, the
26 following state agencies and departments are charged the following amounts
27 in fiscal year 2023-2024 for general agency counsel provided by the
28 department of law:

29	1. Department of administration	\$127,700
30	2. Office of administrative hearings	\$ 3,000
31	3. Arizona arts commission	\$ 3,100
32	4. Citizens clean elections commission	\$ 2,700
33	5. State department of corrections	\$ 2,000
34	6. Arizona criminal justice commission	\$ 8,700
35	7. Arizona state schools for the deaf 36 and the blind	\$100,200
37	8. Commission for the deaf and the hard 38 of hearing	\$ 4,100
39	9. Arizona early childhood development and 40 health board	\$ 47,100
41	10. Department of education	\$132,000
42	11. Department of emergency and military affairs	\$ 30,000
43	12. Department of environmental quality	\$135,600
44	13. Arizona exposition and state fair board	\$ 20,900

1	14. Arizona department of forestry and fire	
2	management	\$ 13,400
3	15. Department of gaming	\$ 37,300
4	16. Department of health services	\$173,800
5	17. Arizona historical society	\$ 700
6	18. Arizona department of housing	\$ 19,300
7	19. Department of insurance and financial	
8	institutions	\$ 13,800
9	20. Department of juvenile corrections	\$ 9,400
10	21. State land department	\$ 2,100
11	22. Department of liquor licenses and control	\$ 11,400
12	23. Arizona state lottery commission	\$ 24,800
13	24. Arizona state parks board	\$ 45,800
14	25. State personnel board	\$ 600
15	26. Arizona pioneers' home	\$ 12,100
16	27. Department of public safety	\$677,400
17	28. Arizona board of regents	\$ 1,800
18	29. Arizona state retirement system	\$ 69,100
19	30. Department of revenue	\$ 4,900
20	31. Department of state – secretary of state	\$ 1,800
21	32. State treasurer	\$ 9,200
22	33. Department of veterans' services	\$ 52,700

23 Fiscal Year 2024-2025 Appropriations

24 Sec. 125. Appropriation; new school facilities fund; use;
25 fiscal year 2024-2025

26 The sum of \$77,898,600 is appropriated from the state general fund
27 in fiscal year 2024-2025 for a onetime deposit in the new school
28 facilities fund established by section 41-5741, Arizona Revised Statutes.
29 The division of school facilities within the department of administration
30 shall use the monies only for facilities that will be constructed for
31 school districts that received final approval from the division of school
32 facilities within the department of administration on or before
33 December 15, 2022.

34 Reporting Requirements and Definitions

35 Sec. 126. COVID-related expenditures; reporting requirements;
36 intent

37 A. Within forty-five days after the last day of each calendar
38 quarter through June 30, 2026, the office of the governor shall report to
39 the president of the senate, the speaker of the house of representatives,
40 the chairpersons of the senate and house of representatives appropriations
41 committees and the director of the joint legislative budget committee the
42 total planned allocations and actual expenditures from the coronavirus
43 state fiscal recovery fund and the coronavirus capital projects fund as
44 appropriated by section 9901 of the American rescue plan act of 2021
45 (P.L. 117-2).

1 B. Within forty-five days after the last day of each calendar
2 quarter through June 30, 2026, the superintendent of public instruction
3 shall report to the president of the senate, the speaker of the house of
4 representatives, the chairpersons of the senate and house of
5 representatives appropriations committees and the director of the joint
6 legislative budget committee the total planned allocations and actual
7 expenditures of monies allocated to the superintendent of public
8 instruction from the elementary and secondary school emergency relief fund
9 as appropriated by section 2001 of the American rescue plan act of 2021
10 (P.L. 117-2).

11 C. Within forty-five days after the last day of each calendar
12 quarter through June 30, 2026, the Arizona board of regents shall report
13 to the president of the senate, the speaker of the house of
14 representatives, the chairpersons of the senate and house of
15 representatives appropriations committees and the director of the joint
16 legislative budget committee the total planned allocations and actual
17 expenditures of monies from the higher education emergency relief fund as
18 appropriated by section 2003 of the American rescue plan act of 2021
19 (P.L. 117-2) by Arizona state university, the university of Arizona and
20 northern Arizona university.

21 D. Within forty-five days after the last day of each calendar
22 quarter through June 30, 2026, each community college district shall
23 report to the president of the senate, the speaker of the house of
24 representatives, the chairpersons of the senate and house of
25 representatives appropriations committees and the director of the joint
26 legislative budget committee the total planned allocations and actual
27 expenditures of monies from the higher education emergency relief fund as
28 appropriated by section 2003 of the American rescue plan act of 2021
29 (P.L. 117-2).

30 E. Reports required pursuant to this section shall delineate
31 expenditures by agency and program and include descriptions of the purpose
32 of the expenditures.

33 F. The legislature intends that the executive branch of state
34 government report on its planned and actual use of any major additional
35 federal aid to this state through federal legislation enacted by the end
36 of fiscal year 2023-2024. The timing and frequency of these reports
37 should be the same as required by subsections A through D of this section.
38 The chairperson and vice chairperson of the joint legislative budget
39 committee may provide recommendations to the executive branch concerning
40 federal legislation that would qualify under this subsection.

41 Sec. 127. Legislative intent: expenditure reporting

42 The legislature intends that all departments, agencies and budget
43 units receiving appropriations under the terms of this act continue to
44 report actual, estimated and requested expenditures by budget programs and
45 budget classes in a format that is similar to the budget programs and

1 budget classes used for budgetary purposes in prior years. A different
2 format may be used if deemed necessary to implement section 35-113,
3 Arizona Revised Statutes, agreed to by the director of the joint
4 legislative budget committee and incorporated into the budget preparation
5 instructions adopted by the governor's office of strategic planning and
6 budgeting pursuant to section 35-112, Arizona Revised Statutes.

7 Sec. 128. FTE positions; reporting; definition

8 Full-time equivalent (FTE) positions contained in this act are
9 subject to appropriation. The director of the department of
10 administration shall account for the use of all appropriated and
11 nonappropriated FTE positions, excluding those in the universities. The
12 director of the department of administration shall submit the fiscal year
13 2023-2024 report on or before October 1, 2024 to the director of the joint
14 legislative budget committee. The report shall compare the level of
15 appropriated FTE usage in each fiscal year to the appropriated level. For
16 the purposes of this section, "FTE positions" means the total number of
17 hours worked, including both regular and overtime hours as well as hours
18 taken as leave, divided by the number of hours in a work year. The
19 director of the department of administration shall notify the director of
20 a budget unit if the budget unit's appropriated FTE usage has exceeded its
21 number of appropriated FTE positions. Each university shall report to the
22 director of the joint legislative budget committee in a manner comparable
23 to the department of administration reporting.

24 Sec. 129. Filled FTE positions; reporting

25 On or before October 1, 2023, each agency, including the judiciary
26 and universities, shall submit a report to the director of the joint
27 legislative budget committee on the number of filled appropriated and
28 nonappropriated FTE positions, by fund source, as of September 1, 2023.

29 Sec. 130. Transfer of spending authority

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

34 Sec. 131. Interim reporting requirements

35 A. State general fund revenue for fiscal year 2022-2023, including
36 a beginning balance of \$4,709,446,000 and other onetime revenues, is
37 forecasted to be \$18,122,600,000.

38 B. State general fund revenue for fiscal year 2023-2024, including
39 onetime revenues, is forecasted to be \$17,827,000,000.

40 C. State general fund revenue for fiscal year 2024-2025, including
41 onetime revenues, is forecasted to be \$16,278,200,000. State general fund
42 expenditures for fiscal year 2024-2025 are forecasted to be
43 \$16,207,500,000.

1 D. State general fund revenue for fiscal year 2025-2026, including
2 onetime revenues, is forecasted to be \$17,303,900,000. State general fund
3 expenditures for fiscal year 2025-2026 are forecasted to be
4 \$16,565,000,000.

5 E. On or before September 15, 2023, the executive branch shall
6 provide to the joint legislative budget committee a preliminary estimate
7 of the fiscal year 2022-2023 state general fund ending balance. The
8 estimate shall include projections of total revenues, total expenditures
9 and an ending balance. The department of administration shall continue to
10 provide the final report for the fiscal year in its annual financial
11 report pursuant to section 35-131, Arizona Revised Statutes.

12 F. Based on the information provided by the executive branch, the
13 staff of the joint legislative budget committee shall report to the joint
14 legislative budget committee on or before October 15, 2023 whether the
15 fiscal year 2023-2024 revenues and ending balance are expected to change
16 by more than \$50,000,000 from the budgeted projections. The joint
17 legislative budget committee staff may make technical adjustments to the
18 revenue and expenditure estimates in this section to reflect other bills
19 enacted into law. The executive branch may also provide its own estimates
20 to the joint legislative budget committee on or before October 15, 2023.

21 Sec. 132. Definition

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

25 Sec. 133. Definition

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

29 Sec. 134. Definition

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

APPROVED BY THE GOVERNOR MAY 11, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 12, 2023.