

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

# HOUSE BILL 4156

## AN ACT

AMENDING LAWS 2021, CHAPTER 406, SECTION 33, AS AMENDED BY LAWS 2022, CHAPTER 33, SECTION 1 AND LAWS 2023, CHAPTER 135, SECTION 1; AMENDING LAWS 2022, CHAPTER 309, SECTION 8, AS AMENDED BY LAWS 2023, CHAPTER 135, SECTION 3 AND LAWS 2025, CHAPTER 235, SECTION 1; AMENDING LAWS 2023, CHAPTER 135, SECTION 8; AMENDING LAWS 2023, CHAPTER 135, SECTION 10, AS AMENDED BY LAWS 2024, CHAPTER 211, SECTION 1 AND LAWS 2025, CHAPTER 235, SECTION 2; AMENDING LAWS 2024, CHAPTER 211, SECTION 6; AMENDING LAWS 2024, CHAPTER 211, SECTION 9, AS AMENDED BY LAWS 2025, CHAPTER 235, SECTION 3; AMENDING LAWS 2024, CHAPTER 211, SECTION 22; AMENDING LAWS 2024, CHAPTER 211, SECTION 29; AMENDING LAWS 2025, CHAPTER 235, SECTIONS 8 AND 9; MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS; PROVIDING FOR REVIEW OF CAPITAL OUTLAY PROJECTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Laws 2021, chapter 406, section 33, as amended by Laws  
3 2022, chapter 33, section 1 and Laws 2023, chapter 135, section 1, is  
4 amended to read:  
5 Sec. 33. Appropriations; department of transportation;  
6 highway construction; fiscal year 2020-2021;  
7 exemption; lapsing; report  
8 A. The following amounts are appropriated from the state general  
9 fund in fiscal year 2020-2021 to the department of transportation for the  
10 following highway projects:  
11 1. Repave State Route 69 in  
12 Prescott Valley ~~\$ 4,700,000~~ \$ 4,583,800  
13 2. Repave State Route 95 in  
14 Mohave county ~~\$46,700,000~~ \$44,965,700  
15 3. Study options for expanding the on and  
16 off ramps at the intersection of  
17 Grand Avenue and State Route 303 \$ 150,000  
18 4. Construct an overpass at Riggs Road  
19 and State Route 347 \$25,000,000  
20 5. ~~Study an overpass at Riggs Road and~~  
21 ~~DESIGN, RIGHT-OF-WAY ACQUISITION,~~  
22 ~~UTILITY RELOCATION, NATURAL RESOURCE~~  
23 ~~RECOVERY AND CONSTRUCTION FOR AN~~  
24 ~~OVERPASS AT RIGGS ROAD AND~~  
25 ~~TO IMPROVE~~ State Route 347 \$ 2,500,000  
26 6. ~~Final design plan, right-of-way and~~  
27 ~~easements for an overpass at~~  
28 ~~Riggs Road and DESIGN, RIGHT-OF-WAY~~  
29 ~~ACQUISITION, UTILITY RELOCATION,~~  
30 ~~NATURAL RESOURCE RECOVERY AND~~  
31 ~~CONSTRUCTION FOR AN~~  
32 ~~OVERPASS AT RIGGS ROAD AND~~  
33 ~~TO IMPROVE~~ State Route 347 \$ 7,500,000  
34 7. Study the north/south corridor in  
35 Pinal county \$ 4,000,000  
36 8. Improve drainage on 67th Avenue  
37 in Peoria \$ 8,500,000  
38 9. Widen Camelback Road between State  
39 Route 303 and Litchfield Road  
40 in Goodyear \$ 8,000,000  
41 10. Study and design concept report for  
42 the repair of State Route 88 \$ 700,000  
43 11. Repair and maintain 20th Avenue in  
44 Safford \$ 1,032,100

1	12.	Improve Tangerine Road near	
2		Interstate 10 in Marana	\$ 5,000,000
3	13.	Construct a bridge and extend	
4		Ocotillo Road in Gilbert	\$ 7,900,000
5	14.	Repair State Route 186 and State	
6		Business Route 10 in Wilcox	<del>\$ 3,500,000</del> \$3,406,900
7	15.	Replace Butte Avenue bridge in	
8		Florence	\$ 1,000,000
9	16.	Improve Center Avenue in Jerome	\$ 560,000
10	17.	Rehabilitate pavement along	
11		State Route 77 near Oro Valley	\$15,807,500
12	18.	Improve State Route 90 near	
13		Fort Huachuca	\$10,600,000
14	19.	Improve State Route 87 – local match	\$ 750,000
15	20.	Study guardrail – shoulder of	
16		State Route 377 from Holbrook to Heber	\$ 140,000
17	21.	Improve Hill Street Corridor in Globe	\$ 1,169,400

18 B. Notwithstanding section 41-1252, Arizona Revised Statutes, the  
19 appropriations made in subsection A of this section are not subject to  
20 review by the joint committee on capital review.

21 C. The appropriations made in subsection A of this section do not  
22 lapse until the purpose for which the appropriations were made has been  
23 accomplished or abandoned, or the appropriations stand for a full fiscal  
24 year without an expenditure or encumbrance.

25 D. Before transferring monies between the projects described in  
26 subsection A of this section, the department shall submit a report for  
27 review by the joint committee on capital review.

28 Sec. 2. Laws 2022, chapter 309, section 8, as amended by Laws 2023,  
29 chapter 135, section 3 and Laws 2025, chapter 235, section 1, is amended  
30 to read:

31 Sec. 8. Appropriations; department of transportation; highway  
32 construction; intent; reports; exemption; lapsing

33 A. The following amounts are appropriated from the state highway  
34 fund established by section 28-6991, Arizona Revised Statutes, in fiscal  
35 year 2022-2023 to the department of transportation for the following  
36 highway projects:

37	1.	Design and construct additional vehicle	
38		lanes, separated by a lighted median,	
39		on Interstate 10 between State Route 85	
40		and Citrus Road	\$60,910,000

41 The legislature intends that:

42 (a) Not more than one hundred twenty days after the effective date  
43 of this section, the city of Buckeye contribute \$3,000,000 to the project  
44 described in this paragraph.

- 1 (b) The Maricopa association of governments collect and contribute  
 2 at least \$10,000,000 from sources other than this state for the project  
 3 described in this paragraph.
- 4 (c) The department use any federal discretionary monies awarded for  
 5 the project described in this paragraph before spending the monies  
 6 appropriated in this paragraph.
- 7 2. Improve Jackrabbit Trail between  
 8 Thomas Road and McDowell Road \$20,080,000
- 9 The legislature intends that the city of Buckeye contribute  
 10 \$5,020,000 to the project described in this paragraph.
- 11 3. Acquire right-of-way to extend State  
 12 Route 24 \$15,000,000
- 13 4. Rehabilitate pavement along United States  
 14 Route 60 between Loop 101  
 15 and Loop 202 \$38,482,000
- 16 5. Study the construction of an emergency  
 17 evacuation bridge in Lake Havasu City \$ 200,000
- 18 6. Construct roundabout at intersection of  
 19 State Route 69 and State Route 169 \$ 8,022,500
- 20 7. Study and design traffic interchange on  
 21 State Route 74 at Lake Pleasant Parkway \$ 5,000,000
- 22 8. Assess intersection of State Route 79 and  
 23 Hunt Highway \$ 100,000
- 24 9. Assess intersection of State Route 87  
 25 and Skousen Road \$ 100,000
- 26 10. Design traffic interchange on State  
 27 Route 89 at State Route 89A \$ 600,000
- 28 11. Rehabilitate pavement along State Route 90  
 29 between Campus Drive and the U.S. Border  
 30 Patrol Station in Huachuca City \$38,620,000
- 31 12. Rehabilitate pavement along United States  
 32 Route 191 between Mile Post 163 and  
 33 Mile Post 173 ~~\$22,152,000~~ \$16,239,900
- 34 13. Design and construct a screen wall along  
 35 Loop 101 between 51st Avenue and  
 36 59th Avenue \$ 9,514,000
- 37 14. Rehabilitate pavement along United States  
 38 Route 191 between Armory Road and  
 39 East Safford ~~\$16,481,000~~ \$14,865,500
- 40 15. Design to improve State Route 238 between  
 41 State Route 347 and Green Road \$ 800,000
- 42 16. Design work for State Route 303  
 43 Improvements from Interstate 17  
 44 to Lake Pleasant Parkway \$ 4,000,000

1	17.	Design work for the interchange at	
2		State Route 303 and Interstate 17	\$19,000,000
3	18.	Design, <del>to widen lanes along</del> RIGHT-OF-WAY	
4		ACQUISITION, UTILITY RELATION, NATURAL	
5		RESOURCE RECOVERY AND CONSTRUCTION TO	
6		IMPROVE STATE ROUTE 347, INCLUDING	
7		IMPROVING THE INTERSECTION ON STATE ROUTE	
8		347 AT CASA BLANCA ROAD AND CEMENT	
9		PLANT ACCESS, AND TO CONSTRUCT AN	
10		OVERPASS AT RIGGS ROAD AND State	
11		Route 347 <del>between Interstate 10</del>	
12		<del>and city of Maricopa</del>	\$19,000,000
13	19.	Assess intersection on State	
14		Route 389 at Arizona Avenue	\$ 100,000
15	20.	Distribute to the northern Arizona	
16		intergovernmental public	
17		transportation authority for	
18		capital costs of the Flagstaff	
19		downtown connection center	\$ 6,000,000
20	21.	Install lighting on the Sentinel exit	
21		in Gila Bend	<del>\$1,085,000</del> \$762,500
22	22.	Conduct a tier 2 study for the	
23		North-South Corridor in Pinal county	\$15,000,000
24	23.	Conduct a tier 2 study for the Sonoran	
25		Corridor in Pima county	\$14,000,000
26	24.	Conduct a tier 2 study for Interstate 11	
27		in Maricopa county	\$25,000,000
28	25.	Design and construct a screen wall	
29		along the east side of Loop 101	
30		near 16th Street	<del>\$7,250,000</del> \$ 6,365,000

31 B. Within thirty days after the last day of each calendar quarter,  
 32 the department shall report to the joint legislative budget committee  
 33 staff the projected cost and status of the projects for the appropriations  
 34 made in subsection A of this section. The report shall include any  
 35 impacts to the projects due to the increase in the cost of concrete.

36 C. Before transferring monies between the projects described in  
 37 subsection A of this section, the department shall submit a report for  
 38 review by the joint committee on capital review.

39 D. Notwithstanding section 41-1252, Arizona Revised Statutes, the  
 40 appropriations made in subsection A of this section are not subject to  
 41 review by the joint committee on capital review.

1 E. The appropriations made in subsection A of this section do not  
2 lapse until the purpose for which the appropriations were made has been  
3 accomplished or abandoned, or the appropriations stand for a full fiscal  
4 year without an expenditure or encumbrance.

5 Sec. 3. Laws 2023, chapter 135, section 8 is amended to read:

6 Sec. 8. Appropriations; state agency and administrative board  
7 capital projects

8 A. The amounts appropriated in this section are appropriated for  
9 fiscal year 2023-2024 to be used by the applicable agency or board for  
10 individual capital projects.

11 B. DEPARTMENT OF ADMINISTRATION

12 Electric vehicle charging and advance  
13 fuel infrastructure \$ 5,000,000

14 Fund source:

15 State general fund \$ 5,000,000

16 C. STATE DEPARTMENT OF CORRECTIONS

17 1. Replace evaporative cooling statewide  
18 with HVAC \$ 66,783,600

19 2. Statewide door, lock and fire systems  
20 replacement \$ 48,650,600

21 Fund source:

22 State general fund \$115,434,200

23 D. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

24 Additional construction monies for  
25 Surprise readiness center \$ 1,125,000

26 Fund source:

27 State general fund \$ 1,125,000

28 E. ARIZONA EXPOSITION AND STATE FAIR BOARD

29 Capital improvements \$ 3,802,100

30 Fund source:

31 Arizona exposition and state fair fund \$ 3,802,100

32 F. ARIZONA GAME AND FISH DEPARTMENT

33 1. Dam maintenance \$ 150,000

34 2. Hatchery maintenance \$ 400,000

35 3. Property maintenance \$ 300,000

36 4. Water conservation projects \$ 500,000

37 Fund sources:

38 Capital improvement fund \$ 850,000

39 Game and fish fund \$ 500,000

40 G. DEPARTMENT OF HEALTH SERVICES

41 1. State hospital water pump replacements \$ 209,000

42 2. State hospital water isolation valves \$ 200,000

43 Fund source:

44 Arizona state hospital fund \$ 409,000

1	H. ARIZONA STATE PARKS BOARD	
2	1. Capital improvements	\$ 3,034,400
3	2. Verde River state park	\$ 7,000,000
4	Fund sources:	
5	State general fund	\$ 7,000,000
6	State parks revenue fund	\$ 3,034,400
7	The Arizona state parks board shall establish a state park at the	
8	headwaters of the Verde River.	
9	The Arizona state parks board shall report to the joint committee on	
10	capital review and the governor's office of strategic planning and	
11	budgeting if the board revises the plan for any project for which monies	
12	are appropriated by this subsection because the board receives land and	
13	water conservation grant funding.	
14	I. ARIZONA PIONEERS' HOME	
15	1. Capital improvements	\$ 468,700
16	2. Cemetery columbarium	\$ 75,000
17	3. Cemetery parking	\$ 250,000
18	Fund source:	
19	Miners' hospital for miners with	
20	disabilities land fund	\$ 793,700
21	J. DEPARTMENT OF PUBLIC SAFETY	
22	Renovate Flagstaff aviation hangar	\$ 320,000
23	Fund source:	
24	State general fund	\$ 320,000
25	K. DEPARTMENT OF TRANSPORTATION	
26	1. Construct new maintenance facility in	
27	Keams Canyon	\$ 3,400,000
28	2. Replace vehicle fueling facilities in	
29	Springerville, Holbrook and Chambers	\$ 2,600,000
30	3. Electric vehicle charging and advance	
31	fuel infrastructure at department	
32	facilities open and accessible to the	
33	public, excluding rest areas	\$ 2,500,000
34	<del>4. Electric vehicle charging and advance</del>	
35	<del>fuel infrastructure at department</del>	
36	<del>fleet facilities</del>	<del>\$ 5,000,000</del>
37	<del>5.</del> 4. Renovate motor vehicle division in	
38	north Tucson	\$ 4,100,000
39	<del>6.</del> 5. Water conservation projects	\$ 2,500,000



1	6.	Distribute to the city of Coolidge for	
2		Coolidge Avenue reconstruction between	
3		Christensen Road and Clemans Road	\$ 5,300,000
4	7.	Distribute to the city of Eloy for Sunland	
5		Gin Road Interstate 10 overpass and road	
6		improvements between Interstate 10 and	
7		Arica Road	\$ 5,000,000
8	8.	Distribute to the town of Marana for	
9		design costs for traffic interchange	
10		between Interstate 10 and Cortaro Road	\$10,000,000
11	9.	Distribute to the city of Douglas for road	
12		development and construction connecting	
13		the Douglas international commercial	
14		port of entry and State Route 80	\$ 8,170,000
15	10.	Distribute to the town of Patagonia for	
16		McKeown Avenue reconstruction between	
17		Fourth Avenue West and State Route 82	\$ 1,500,000
18	11.	Distribute to the city of Sierra Vista for	
19		Theater Drive corridor improvements	
20		between 7th Street and Carmichael	
21		Avenue	\$ 1,800,000
22	12.	Distribute to Graham county for	
23		intersection reconstruction at Norton	
24		Road and Reay Lane	\$ 500,000
25	13.	Distribute to Cochise county for	
26		Moson Road drainage and safety	
27		improvements between State Route 90	
28		and Hereford Road	\$ 6,100,000
29	14.	Improve U.S. Route 95 between Wellton	
30		Mohawk Canal Road and Aberdeen Road	\$33,300,000
31	15.	Distribute to Yuma county for	
32		U.S. Route 95 pavement	
33		rehabilitation between County	
34		22nd Street and County 11th Street	\$ 5,910,400
35	16.	Design work and engineer improvements on	
36		State Route 85 between mile post 123	
37		and Maricopa Road	\$ 6,500,000
38	17.	Construct turn lanes along State Route 95	
39		near Bullhead City	\$ 8,000,000
40	18.	Construct an emergency evacuation bridge	
41		in Lake Havasu City	\$35,500,000



1	31. Distribute to Gila county for	
2	Houston Mesa Road improvements	
3	between State Route 260 and .4 miles	
4	south of Forest Road 198	\$ 243,600
5	32. Distribute to the Canyon Water improvement	
6	district to make improvements to	
7	infrastructure, including fire hydrants	
8	and other related water needs	\$ 610,000
9	33. Distribute to Graham county for	
10	Safford Bryce Road improvements in	
11	the vicinity of Talley Wash Crossing	\$ 1,781,500
12	34. Distribute to the town of Thatcher for	
13	8th Street improvements between	
14	1st Avenue and 20th Avenue	\$ 4,526,400
15	35. Repave U.S. Route 60 between Morristown	
16	and Wickenburg	\$10,500,000
17	36. Distribute to the town of Winkelman for	
18	improvements to Golf Course Road and	
19	Quarelli Street	\$ 1,560,900
20	37. Distribute to the town of Superior for	
21	Panther Drive bridge design and	
22	construction at Queen Creek	\$ 2,486,700
23	38. Improve State Route 260 within	
24	Navajo county	\$ 4,250,000
25	39. Distribute to the Navajo Nation for	
26	Improvements to N9402 Road near	
27	Lupton and Houck	\$10,000,000
28	40. Distribute to Apache county for	
29	State Route 264 turn lane construction	
30	into the Ganado senior citizens center	
31	and veterans building development area	\$ 538,700
32	41. Distribute to the city of Tucson for	
33	improvements to the Drexel Road	
34	bridge	\$15,000,000
35	42. Distribute to Santa Cruz county for	
36	improvements to traffic interchange	
37	at Interstate 19 and Rio Rico Drive	
38	and traffic interchange at	
39	Interstate 19 and Ruby Road	\$ 8,600,000

40 B. Within thirty days after the last day of each calendar quarter,  
 41 the department of transportation shall report to the joint legislative  
 42 budget committee staff the projected cost and status of the projects for  
 43 the appropriations made in subsection A of this section.

1 C. Before transferring monies between the projects described in  
2 subsection A of this section, the department of transportation shall  
3 submit a report for review by the joint committee on capital review.

4 D. Notwithstanding section 41-1252, Arizona Revised Statutes, the  
5 appropriations made in subsection A of this section are not subject to  
6 review by the joint committee on capital review.

7 Sec. 5. Laws 2024, chapter 211, section 6 is amended to read:

8 Sec. 6. Appropriation reduction; fiscal year 2021-2022;  
9 appropriation; fiscal year 2028-2029; department of  
10 veterans' services; veterans' home facility; site  
11 selection; review; exemption

12 A. Notwithstanding any other law, the following amounts are reduced  
13 from appropriations made to the following state agency in fiscal year  
14 2021-2022 by Laws 2021, chapter 406, section 29 for the following project:

15 B. DEPARTMENT OF VETERANS' SERVICES  
16 Veterans' home facility \$(25,000,000)

17 Fund source:  
18 State general fund \$(25,000,000)

19 C. The sum of \$25,000,000 is appropriated from the state general  
20 fund in fiscal year ~~2027-2028~~ 2028-2029 to the department of veterans'  
21 services to construct and establish a veterans' home facility in the  
22 northwestern portion of this state.

23 D. The appropriation made in subsection C of this section is  
24 intended to be this state's share of the costs and is not subject to  
25 expenditure for any purpose unless the department of veterans' services  
26 has irrevocable commitments from the United States government to fund at  
27 least sixty-five percent of the total costs.

28 E. The department shall submit the proposed site location in the  
29 northwestern portion of this state to the Arizona veterans' service  
30 advisory commission established by section 41-602, Arizona Revised  
31 Statutes, for approval. The department shall provide the commission a  
32 feasibility analysis of suitable sites to consider when approving the site  
33 location.

34 F. Before spending the appropriation made in subsection C of this  
35 section, the department of veterans' services shall submit the scope,  
36 purpose and estimated cost of the capital improvements to the joint  
37 committee on capital review for its review pursuant to section 41-1252,  
38 Arizona Revised Statutes.

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

1           Sec. 6. Laws 2024, chapter 211, section 9, as amended by Laws 2025,  
2 chapter 235, section 3, is amended to read:

3           Sec. 9. Appropriation reductions; appropriation; department  
4 of transportation; Riggs Road overpass; fiscal  
5 years 2020-2021, 2022-2023 and 2027-2028; fund  
6 balance transfer; intent

7           A. Notwithstanding any other law, the following amounts are reduced  
8 from appropriations made to the following state agency in fiscal year  
9 2020-2021 by Laws 2021, chapter 406, section 33, as amended by Laws 2022,  
10 chapter 33, section 1 and Laws 2023, chapter 135, section 1, for the  
11 following project:

12           B. DEPARTMENT OF TRANSPORTATION

13                 Construct an overpass at Riggs Road  
14                         and State Route 347                                 \$(25,000,000)

15           Fund sources:

16                 State general fund   \$(25,000,000)

17           C. Notwithstanding any other law, the following amounts are reduced  
18 from appropriations made to the following state agency in fiscal year  
19 2022-2023 by Laws 2022, chapter 309, section 12, as amended by Laws 2023,  
20 chapter 135, section 5, for the following project:

21           D. DEPARTMENT OF TRANSPORTATION

22                 Construct an overpass at Riggs Road  
23                         and State Route 347                                 \$(24,000,000)

24           Fund sources:

25                 State highway fund   \$(24,000,000)

26           E. Notwithstanding any other law, on or before June 30, 2024,  
27 \$24,000,000 from the state highway fund established by section 28-6991,  
28 Arizona Revised Statutes, is transferred to the state general fund for the  
29 purposes of providing adequate support and maintenance for agencies of  
30 this state. This amount reflects a portion of the revenues derived from  
31 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised  
32 Statutes, that were transferred to the state highway fund by Laws 2022,  
33 chapter 321, section 20, subsection A, paragraph 2.

34           F. The sum of \$41,400,000 is appropriated from the state general  
35 fund in fiscal year 2025-2026 to the department of transportation for  
36 DESIGN, right-of-way acquisition, utility relocation, natural resource  
37 recovery and construction of an overpass at riggs road and State  
38 Route 347.

39           G. The sum of \$49,000,000 is appropriated from the state general  
40 fund in fiscal year 2027-2028 to the department of transportation ~~to~~  
41 ~~construct~~ FOR DESIGN, RIGHT-OF-WAY ACQUISITION, UTILITY RELOCATION,  
42 NATURAL RESOURCE RECOVERY AND CONSTRUCTION OF an overpass at Riggs Road  
43 and State Route 347. Consistent with this advance appropriation, the  
44 legislature intends that ~~the overpass at Riggs Road and State Route 347~~

1 THE APPROPRIATION MADE IN THIS SUBSECTION be funded in fiscal year  
2 2027-2028.

3 Sec. 7. Laws 2024, chapter 211, section 22 is amended to read:

4 Sec. 22. Supplemental appropriation; department of  
5 transportation; Riggs Road overpass; fiscal year  
6 2023-2024

7 A. In addition to the appropriation made by Laws 2021, chapter 406,  
8 section 33, the following amounts are appropriated to the following state  
9 agency in fiscal year 2023-2024 for the following project:

10 B. DEPARTMENT OF TRANSPORTATION

11 ~~Final design plan, right-of-way and~~  
12 ~~easements for an overpass at~~  
13 ~~Riggs Road and State Route 347~~

14 DESIGN, RIGHT-OF-WAY ACQUISITION, UTILITY  
15 RELOCATION, NATURAL RESOURCE RECOVERY  
16 AND CONSTRUCTION FOR AN OVERPASS AT  
17 RIGGS ROAD AND STATE ROUTE 347 \$ 1,500,000

18 Fund sources:

19 State highway fund \$ 1,500,000

20 Sec. 8. Laws 2024, chapter 211, section 29 is amended to  
21 read:

22 Sec. 29. Supplemental appropriation; department of  
23 transportation; State Route 347; fiscal year  
24 2023-2024

25 A. In addition to the appropriation made by Laws 2023, chapter 135,  
26 section 10, the following amounts are appropriated to the following state  
27 agency in fiscal year 2023-2024 for the following project:

28 B. DEPARTMENT OF TRANSPORTATION

29 ~~Improve intersection on State Route 347~~  
30 ~~at Casa Blanca Road and Cement~~  
31 ~~Plant access~~

32 DESIGN, RIGHT-OF-WAY ACQUISITION, UTILITY  
33 RELOCATION, NATURAL RESOURCE RECOVERY  
34 AND CONSTRUCTION TO IMPROVE STATE ROUTE 347,  
35 INCLUDING IMPROVING THE INTERSECTION ON  
36 STATE ROUTE 347 AT CASA BLANCA ROAD AND  
37 CEMENT PLANT ACCESS, AND TO CONSTRUCT  
38 AN OVERPASS AT RIGGS ROAD  
39 AND STATE ROUTE 347 \$ 1,901,000

40 Fund sources:

41 State general fund \$ 1,901,000



1	2. Verde River state park construction	\$ 500,000
2	Fund sources:	
3	State general fund	\$ 500,000
4	State parks revenue fund	\$ 3,633,300
5	H. ARIZONA PIONEERS' HOME	
6	1. Capital improvements	\$ 470,400
7	2. Facility window and door replacements	\$ 1,515,000
8	Fund source:	
9	Miners' hospital for miners with	
10	disabilities land fund	\$ 1,985,400
11	I. DEPARTMENT OF PUBLIC SAFETY	
12	1. Replace office buildings in	
13	Payson and Sanders	\$ 2,000,000
14	2. Upgrade electrical system at the department	
15	headquarters in Phoenix	\$ 11,227,100
16	Fund source:	
17	State general fund	\$ 13,227,100
18	J. DEPARTMENT OF TRANSPORTATION	
19	1. Improvements to vehicle repair shop	
20	in Avondale	\$ 6,951,000
21	2. Construct new maintenance offices in	
22	Little Antelope and Gray Mountain	\$ 6,861,000
23	3. Renovate Grand Canyon airport terminal	\$ 850,300
24	Fund sources:	
25	State highway fund	\$ 13,812,000
26	State aviation fund	\$ 850,300
27	The monies appropriated to the department of transportation to	
28	renovate the Grand Canyon airport terminal revert to the state aviation	
29	fund established by section 28-8202, Arizona Revised Statutes, on June 30,	
30	<del>2026</del> 2028 if the department does not receive a federal aviation	
31	administration grant for the project.	
32	K. DEPARTMENT OF VETERANS' SERVICES	
33	Replace HVAC at the Tucson veterans' home	\$ 2,400,000
34	Fund source:	
35	State general fund	\$ 2,400,000
36	The monies appropriated to the department of veterans' services to	
37	replace the HVAC at the Tucson veterans' home revert to the state general	
38	fund on June 30, <del>2026</del> 2027 if the department is not awarded a federal	
39	grant for the project. The department may apply for federal grant monies	
40	for the HVAC replacement project prior to review by the joint committee on	
41	capital review.	

1           Sec. 10. Laws 2025, chapter 235, section 9 is amended to read:

2           Sec. 9. Appropriations; department of transportation; highway  
3                 projects

4           A. The following amounts are appropriated from the state general  
5 fund in fiscal year 2025-2026 to the department of transportation for the  
6 following highway projects:

- 7           1. ~~Improve intersection on State Route 347~~  
8                 ~~at Casa Blanca Road and Cement~~  
9                 ~~Plant Access Road~~  
10                DESIGN, RIGHT-OF-WAY ACQUISITION,  
11                UTILITY RELOCATION, NATURAL RESOURCE  
12                RECOVERY AND CONSTRUCTION TO  
13                IMPROVE STATE ROUTE 347, INCLUDING  
14                IMPROVING THE INTERSECTION ON STATE ROUTE  
15                347 AT CASA BLANCA ROAD AND CEMENT PLANT  
16                ACCESS, AND TO CONSTRUCT AN OVERPASS AT  
17                RIGGS ROAD AND STATE ROUTE 347                                 \$ 10,839,000
- 18           2. ~~Design to widen lanes along State~~  
19                 ~~Route 347 between Interstate 10~~  
20                 ~~and the city of Maricopa~~  
21                DESIGN, RIGHT-OF-WAY ACQUISITION,  
22                UTILITY RELOCATION, NATURAL RESOURCE  
23                RECOVERY AND CONSTRUCTION TO  
24                IMPROVE STATE ROUTE 347, INCLUDING  
25                IMPROVING THE INTERSECTION ON STATE ROUTE  
26                347 AT CASA BLANCA ROAD AND CEMENT PLANT  
27                ACCESS, AND TO CONSTRUCT AN OVERPASS AT  
28                RIGGS ROAD AND STATE ROUTE 347                                 \$ 1,500,000
- 29           3. Design an additional right-hand  
30                turn lane on northbound State Route  
31                87 and State Route 260 near Payson                                 \$ 2,129,800
- 32           4. Distribute to the city of Flagstaff to  
33                design and construct a traffic light  
34                signal at the intersection of Woody  
35                Mountain Road and US Route 66                                     \$ 1,900,000

36           The department of transportation shall submit an intergovernmental  
37 agreement to the city of Flagstaff to design and construct a traffic light  
38 signal at the intersection of Woody Mountain Road and US Route 66 on or  
39 before September 15, 2025. If the city of Flagstaff agrees to the  
40 intergovernmental agreement, the monies appropriated in this paragraph to  
41 design and construct a traffic light signal at the intersection of Woody  
42 Mountain Road and US Route 66 shall be distributed to the city of  
43 Flagstaff on or before November 1, 2025.



1 Avenue between West County 10th Street and West County 11th Street on or  
2 before September 15, 2025. If Yuma county agrees to the intergovernmental  
3 agreement, the monies appropriated in this paragraph for the bridge  
4 replacement project on Somerton Avenue between West County 10th Street and  
5 West County 11th Street shall be distributed to Yuma county on or before  
6 November 1, 2025.

7 11. Install traffic control systems along  
8 State Route 389 near Colorado City \$ 1,500,000

9 12. Distribute to the city of Kingman for  
10 Eastern Street infrastructure improvements \$ 1,500,000

11 The department of transportation shall submit an intergovernmental  
12 agreement to the city of Kingman for the Eastern Street infrastructure  
13 improvements project on or before September 15, 2025. If the city of  
14 Kingman agrees to the intergovernmental agreement, the monies appropriated  
15 in this paragraph for the Eastern Street infrastructure improvements  
16 project shall be distributed to the city of Kingman on or before November  
17 1, 2025.

18 13. Distribute to the city of Nogales for  
19 improvements to Frank Reed Road \$ 1,500,000

20 The department of transportation shall submit an intergovernmental  
21 agreement to the city of Nogales for improvements to Frank Reed Road on or  
22 before September 15, 2025. If the city of Nogales agrees to the  
23 intergovernmental agreement, the monies appropriated in this paragraph for  
24 improvements to Frank Reed Road shall be distributed to the city of  
25 Nogales on or before November 1, 2025.

26 14. Distribute to the city of Nogales for  
27 improvements to Industrial Park Road \$ 2,900,000

28 The department of transportation shall submit an intergovernmental  
29 agreement to the city of Nogales for improvements to Industrial Park Road  
30 on or before September 15, 2025. If the city of Nogales agrees to the  
31 intergovernmental agreement, the monies appropriated in this paragraph for  
32 improvements to Industrial Park Road shall be distributed to the city of  
33 Nogales on or before November 1, 2025.

34 15. Distribute to the city of Nogales for  
35 Improvements to La Quinta Road \$ 1,800,000

36 The department of transportation shall submit an intergovernmental  
37 agreement to the city of Nogales for improvements to La Quinta Road on or  
38 before September 15, 2025. If the city of Nogales agrees to the  
39 intergovernmental agreement, the monies appropriated in this paragraph for  
40 improvements to La Quinta Road shall be distributed to the city of Nogales  
41 on or before November 1, 2025.



1 administration for building renewal, the appropriation to the department  
2 of administration is reduced by the difference between the amount  
3 appropriated to the department of administration from the capital outlay  
4 stabilization fund and the balance in the capital outlay stabilization  
5 fund. Notwithstanding title 41, chapter 4, article 7, Arizona Revised  
6 Statutes, the department of administration may use monies appropriated for  
7 building renewal in fiscal year 2026-2027 for building projects related to  
8 retrofitting facilities for space consolidation initiatives.

9 C. STATE DEPARTMENT OF CORRECTIONS \$ 15,652,200  
10 Fund source:  
11 Department of corrections building  
12 renewal fund \$ 15,652,200

13 The state department of corrections may not spend any of this  
14 appropriation on personal services or overhead expenses related to  
15 managing the funded projects.

16 Notwithstanding section 41-797, Arizona Revised Statutes, the state  
17 department of corrections may spend not more than \$4,570,000 of the  
18 appropriation made in this subsection to construct new facilities to  
19 address capital needs as required by the court in the Jensen v. Thornell  
20 inmate health care litigation.

21 D. ARIZONA GAME AND FISH DEPARTMENT \$ 1,932,900  
22 Fund source:  
23 Game and fish fund \$ 1,932,900  
24 E. ARIZONA STATE LOTTERY COMMISSION \$ 100,000

25 Fund source:  
26 State lottery fund \$ 100,000

27 F. DEPARTMENT OF TRANSPORTATION \$ 24,574,100  
28 Fund sources:  
29 State highway fund \$ 24,158,500  
30 State aviation fund \$ 415,600

31 Individual Projects

32 Sec. 12. Appropriations; state agencies and boards; capital  
33 projects

34 A. The amounts appropriated in this section are appropriated for  
35 fiscal year 2026-2027 to be used by the applicable agency or board for  
36 individual capital projects.

37 B. ARIZONA EXPOSITION AND STATE FAIR BOARD  
38 Capital improvements \$ 3,905,900  
39 Fund source:  
40 Arizona exposition and state fair fund \$ 3,905,900

41 C. ARIZONA GAME AND FISH DEPARTMENT  
42 1. Dam maintenance \$ 150,000  
43 2. Hatchery maintenance \$ 400,000

1	3. Hatchery repairs	\$ 11,000,000
2	Fund sources:	
3	Capital improvement fund	\$ 550,000
4	Game and fish fund	\$ 11,000,000
5	D. ARIZONA STATE PARKS BOARD	
6	1. Capital improvements	\$ 3,552,200
7	2. Develop monitoring plan and install markers	
8	at Tonto Natural Bridge state park	\$ 200,000
9	Fund source:	
10	State parks revenue fund	\$ 3,752,200
11	E. ARIZONA PIONEERS' HOME	
12	Capital improvements	\$ 482,000
13	Fund source:	
14	Miners' hospital for miners with	
15	disabilities land fund	\$ 482,000
16	F. DEPARTMENT OF TRANSPORTATION	
17	1. Construct new materials lab in Kingman	\$ 5,038,000
18	2. Replace vehicle fueling facilities in	
19	Payson, Phoenix and Mesa	\$ 4,944,000
20	3. Design the renovation of the traffic signal	
21	and lighting warehouse in Phoenix	\$ 611,000
22	Fund source:	
23	State highway fund	\$ 10,593,000

Department of Transportation Statewide Highway Construction

Sec. 13. Appropriation; department of transportation; statewide highway construction; reports; exemption

A. The amount appropriated in this section is appropriated for fiscal year 2026-2027 to plan and construct state highways, including the national system of interstate highways within this state, the state primary or secondary system, the county primary or secondary system and urban rural routes, to acquire rights-of-way and to provide for the costs of contracted field administration and field engineering on construction projects and debt service payments on bonds issued for highway construction.

B. DEPARTMENT OF TRANSPORTATION \$432,663,000

Fund source:  
State highway fund \$432,663,000

Any balances and collections in the state highway fund established by section 28-6991, Arizona Revised Statutes, that exceed the specific amounts appropriated in the general appropriations act and in this act are appropriated to the department of transportation for the purposes provided in this section.

C. On or before November 1, 2026, the department of transportation shall report to the directors of the joint legislative budget committee

1 and the governor's office of strategic planning and budgeting on its  
2 actual prior year, estimated current year and upcoming budget year highway  
3 construction expenses from all fund sources, including appropriated  
4 monies, federal monies, local agency monies, state highway monies, bond  
5 proceeds and regional area road monies. The report shall be in the same  
6 format as in the prior year unless the directors of the joint legislative  
7 budget committee and the governor's office of strategic planning and  
8 budgeting have approved modifications to the format.

9 D. On or before November 1, 2026, the department of transportation  
10 shall report capital outlay information for fiscal years 2025-2026,  
11 2026-2027 and 2027-2028 to the directors of the joint legislative budget  
12 committee and the governor's office of strategic planning and budgeting.  
13 This information must appear in the same format as tables two, three and  
14 seven, as found in the fiscal year 2025-2026 appropriations report.

15 E. On or before November 1, 2026, the department of transportation  
16 shall report the department's estimated outstanding debt principal balance  
17 at the end of fiscal year 2027-2028 and the estimated debt service payment  
18 amount for each of fiscal years 2027-2028, 2028-2029, 2029-2030 and  
19 2030-2031 to the directors of the joint legislative budget committee and  
20 the governor's office of strategic planning and budgeting. This report  
21 must include state highway fund statewide construction bonds, Arizona  
22 highway user revenue fund bonds, Maricopa association of governments and  
23 Pima association of governments controlled access bonds, Maricopa regional  
24 area road fund bonds and grant anticipation notes and is intended to be  
25 comparable to the information in the fiscal year 2025-2026 appropriations  
26 report.

27 F. Notwithstanding section 41-1252, Arizona Revised Statutes, the  
28 appropriation made in this section is not subject to review by the joint  
29 committee on capital review.

30 Department of Transportation Airport Planning and Development

31 Sec. 14. Appropriation; department of transportation; airport  
32 planning and development; report; exemption

33 A. The amount appropriated in this section is appropriated in  
34 fiscal year 2026-2027 to plan, construct, develop and improve state,  
35 county, city or town airports as determined by the state transportation  
36 board.

37 B. DEPARTMENT OF TRANSPORTATION \$ 29,048,900

38 Fund source:

39 State aviation fund \$ 29,048,900

40 Any balances and collections in the state aviation fund established  
41 by section 28-8202, Arizona Revised Statutes, that exceed the specific  
42 amounts appropriated in the general appropriations act and in this act are  
43 appropriated to the department of transportation in fiscal year 2026-2027  
44 for the purposes provided in this section.

1 C. On or before December 31, 2026, the department of transportation  
2 shall report to the joint legislative budget committee staff on the status  
3 of all aviation grant awards and aviation grant distributions. The report  
4 must delineate projects by individual airport and fiscal year, including  
5 any future year commitments.

6 D. Notwithstanding section 41-1252, Arizona Revised Statutes, the  
7 appropriation made in this section is not subject to review by the joint  
8 committee on capital review.

9 Department of Transportation Appropriation Reductions

10 Sec. 15. Appropriation reduction; department of  
11 transportation; fiscal year 2022-2023

12 Notwithstanding any other law, \$(1,052,600) is reduced from  
13 appropriations made from the state general fund to the department of  
14 transportation for U.S. Route 89 in fiscal year 2022-2023 by Laws 2022,  
15 chapter 309, section 9, as amended by Laws 2023, chapter 135, section 4.

16 Sec. 16. Appropriation reduction; department of  
17 transportation; fiscal year 2022-2023

18 Notwithstanding any other law, the following amounts are reduced  
19 from appropriations made from the state highway fund to the department of  
20 transportation in fiscal year 2022-2023 by Laws 2022, chapter 309, section  
21 12, as amended by Laws 2023, chapter 135, section 5:

- |   |                |
|---|----------------|
| 22 1. Repave State Route 69 in Prescott Valley  | \$ (1,819,000) |
| 23 2. Repave State Route 95 in Mohave county    | \$ (6,052,200) |
| 24 3. Repair State Route 186 and State Business |                |
| 25 Route 10 in Willcox                          | \$ (765,600)   |

26 Sec. 17. Fund balance transfer; state highway fund; fiscal  
27 year 2026-2027

28 A. Notwithstanding any other law, from and after July 1, 2026 and  
29 on or before June 30, 2027, \$17,371,900 from the state highway fund  
30 established by section 28-6991, Arizona Revised Statutes, is transferred  
31 to the state general fund for the purposes of providing adequate support  
32 and maintenance for the agencies of this state. This amount reflects a  
33 portion of the revenues derived from the tax levied by title 42, chapter  
34 5, articles 1 and 5, Arizona Revised Statutes, that were transferred to  
35 the state highway fund by Laws 2022, chapter 321, section 20, subsection  
36 A, paragraph 2.

37 B. The amount transferred in subsection A of this section consists  
38 of appropriation reductions made in sections 2 and 16 of this act.

39 Sec. 18. Department of transportation; U.S. Route 191  
40 pavement rehabilitation; transfer

41 A. On or before June 30, 2026, \$2,500,000 is transferred from the  
42 state highway fund established by section 28-6991, Arizona Revised  
43 Statutes, to the state general fund for the support and maintenance of  
44 agencies of this state. This amount reflects a portion of the revenues

1 derived from the tax levied by title 42, chapter 5, articles 1 and 5,  
2 Arizona Revised Statutes, that were transferred to the state highway fund  
3 by Laws 2022, chapter 321, section 20, subsection A, paragraph 2.

4 B. The amount transferred in subsection A of this section reflects  
5 the reduction of \$2,500,000 made by Laws 2022, chapter 309, section 8, as  
6 amended by Laws 2023, chapter 135, section 3 and Laws 2025, chapter 235,  
7 section 1, from the state highway project to rehabilitate pavement along  
8 U.S. Route 191 between Armory Road and East Safford

9 Sec. 19. Department of transportation: Interstate 10:  
10 exemption

11 The appropriations made in Laws 2025, chapter 235, section 4 to the  
12 department of transportation for design and construction of additional  
13 vehicle lanes, separated by a lighted median, on Interstate 10 between  
14 State Route 85 and Citrus Road is exempt from the provisions of section  
15 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

16 Sec. 20. Use of appropriations

17 A. The department of administration may spend up to five percent of  
18 the amounts appropriated to the department in this act, excluding amounts  
19 to be distributed to nonstate agencies, for expenditures for project  
20 management of building renewal and capital projects. All other monies  
21 appropriated to the department in this act may not be spent for personal  
22 services or employee-related expenditures or for maintenance contracts on  
23 building components and equipment without review by the joint committee on  
24 capital review.

25 B. Except as provided in subsection A of this section, the monies  
26 appropriated in this act may not be spent for personal services or  
27 employee-related expenditures of state employees, excluding any services  
28 provided as part of the inmate construction program for correctional  
29 facilities.