

REFERENCE TITLE: Arizona state parks heritage fund

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

# HB 2281

Introduced by  
Representatives Travers: Stahl Hamilton

## AN ACT

AMENDING SECTION 5-572, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2024, CHAPTER 210, SECTION 2; AMENDING SECTION 5-572, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2024, CHAPTER 210, SECTION 3; AMENDING SECTION 41-502, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA STATE PARKS HERITAGE FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-572, Arizona Revised Statutes, as amended by  
3 Laws 2024, chapter 210, section 2, is amended to read:

4 5-572. Use of monies in state lottery fund; report

5 A. If there are any bonds or bond related obligations payable from  
6 the state lottery revenue bond debt service fund, the state lottery  
7 revenue bond debt service fund shall be secured by a first lien on the  
8 monies in the state lottery fund after the payment of operating costs of  
9 the lottery, as prescribed in section 5-555, subsection A, paragraph 1,  
10 until the state lottery bond debt service fund contains sufficient monies  
11 to meet all the requirements for the current period as required by the  
12 bond documents. Debt service for revenue bonds issued pursuant to this  
13 chapter shall be paid first from monies that would have otherwise been  
14 deposited pursuant to this section in the state general fund. After the  
15 requirements for the current period have been satisfied as required by the  
16 bond documents, the monies in the state lottery fund shall be expended for  
17 the expenses of the commission incurred in carrying out its powers and  
18 duties and in the operation of the lottery.

19 B. Of the monies remaining in the state lottery fund each fiscal  
20 year after appropriations and deposits authorized in subsection A of this  
21 section, \$10,000,000 shall be deposited in the Arizona game and fish  
22 commission heritage fund established by section 17-297.

23 C. Of the monies remaining in the state lottery fund each fiscal  
24 year after appropriations and deposits authorized in subsections A and B  
25 of this section, **\$10,000,000 SHALL BE DEPOSITED IN THE ARIZONA STATE PARKS**  
26 **HERITAGE FUND ESTABLISHED BY SECTION 41-502**, \$5,000,000 shall be allocated  
27 to the department of child safety for the healthy families program  
28 established by section 8-481, \$4,000,000 shall be allocated to the Arizona  
29 board of regents for the Arizona area health education system established  
30 by section 15-1643, \$3,000,000 shall be allocated to the department of  
31 health services to fund the teenage pregnancy prevention programs  
32 established in Laws 1995, chapter 190, sections 2 and 3, \$2,000,000 shall  
33 be allocated to the department of health services for the health start  
34 program established by section 36-697, \$2,000,000 shall be deposited in  
35 the disease control research fund established by section 36-274 and  
36 \$1,000,000 shall be allocated to the department of health services for the  
37 federal women, infants and children food program. The allocations in this  
38 subsection shall be adjusted annually according to changes in the GDP  
39 price deflator as defined in section 41-563, and the allocations are  
40 exempt from the provisions of section 35-190 relating to lapsing of  
41 appropriations. If there are not sufficient monies available pursuant to  
42 this subsection, the allocation of monies for each program shall be  
43 reduced on a pro rata basis.

44 D. If the state lottery director determines that monies available  
45 to the state general fund may not equal \$84,150,000 in a fiscal year, the

1 director shall not authorize deposits to the Arizona game and fish  
2 commission heritage fund pursuant to subsection B of this section OR THE  
3 ARIZONA STATE PARKS HERITAGE FUND PURSUANT TO SUBSECTION C OF THIS SECTION  
4 until the deposits to the state general fund equal \$84,150,000 in a fiscal  
5 year.

6 E. Of the monies remaining in the state lottery fund each fiscal  
7 year after appropriations and deposits authorized in subsections A through  
8 D of this section, \$1,000,000 or the remaining balance in the fund,  
9 whichever is less, is appropriated to the department of economic security  
10 for grants to nonprofit organizations, including faith-based  
11 organizations, for homeless emergency and transitional shelters and  
12 related support services. The department of economic security shall  
13 submit a report on the amounts, recipients, purposes and results of each  
14 grant to the governor, the speaker of the house of representatives and the  
15 president of the senate on or before December 31 of each year for the  
16 prior fiscal year and shall provide a copy of this report to the secretary  
17 of state.

18 F. Of the monies remaining in the state lottery fund each fiscal  
19 year after appropriations and deposits authorized in subsections A  
20 through E of this section, and after a total of at least \$99,640,000 has  
21 been deposited in the state general fund, \$1,750,000 shall be deposited in  
22 the Arizona competes fund established by section 41-1545.01. The balance  
23 in the state lottery fund remaining after deposits into the Arizona  
24 competes fund shall be deposited in the university capital improvement  
25 lease-to-own and bond fund established by section 15-1682.03, up to a  
26 maximum of eighty percent of the total annual payments of lease-to-own and  
27 bond agreements entered into by the Arizona board of regents.

28 G. All monies remaining in the state lottery fund after the  
29 appropriations and deposits authorized in this section shall be deposited  
30 in the state general fund.

31 H. Except for monies expended for debt service of revenue bonds as  
32 provided in subsection A of this section, monies expended under subsection  
33 A of this section are subject to legislative appropriation.

34 I. The commission shall transfer monies prescribed in this section  
35 on a quarterly basis.

36 Sec. 2. Section 5-572, Arizona Revised Statutes, as amended by Laws  
37 2024, chapter 210, section 3, is amended to read:

38 5-572. Use of monies in state lottery fund; report

39 A. If there are any bonds or bond related obligations payable from  
40 the state lottery revenue bond debt service fund, the state lottery  
41 revenue bond debt service fund shall be secured by a first lien on the  
42 monies in the state lottery fund after the payment of operating costs of  
43 the lottery, as prescribed in section 5-555, subsection A, paragraph 1,  
44 until the state lottery bond debt service fund contains sufficient monies  
45 to meet all the requirements for the current period as required by the

1 bond documents. Debt service for revenue bonds issued pursuant to this  
2 chapter shall be paid first from monies that would have otherwise been  
3 deposited pursuant to this section in the state general fund. After the  
4 requirements for the current period have been satisfied as required by the  
5 bond documents, the monies in the state lottery fund shall be expended for  
6 the expenses of the commission incurred in carrying out its powers and  
7 duties and in the operation of the lottery.

8 B. Of the monies remaining in the state lottery fund each fiscal  
9 year after appropriations and deposits authorized in subsection A of this  
10 section, \$10,000,000 shall be deposited in the Arizona game and fish  
11 commission heritage fund established by section 17-297.

12 C. Of the monies remaining in the state lottery fund each fiscal  
13 year after appropriations and deposits authorized in subsections A and B  
14 of this section, \$10,000,000 SHALL BE DEPOSITED IN THE ARIZONA STATE PARKS  
15 HERITAGE FUND ESTABLISHED BY SECTION 41-502, \$5,000,000 shall be allocated  
16 to the department of child safety for the healthy families program  
17 established by section 8-481, \$4,000,000 shall be allocated to the Arizona  
18 board of regents for the Arizona area health education system established  
19 by section 15-1643, \$3,000,000 shall be allocated to the department of  
20 health services to fund the teenage pregnancy prevention programs  
21 established in Laws 1995, chapter 190, sections 2 and 3, \$2,000,000 shall  
22 be allocated to the department of health services for the health start  
23 program established by section 36-697, \$2,000,000 shall be deposited in  
24 the disease control research fund established by section 36-274 and  
25 \$1,000,000 shall be allocated to the department of health services for the  
26 federal women, infants and children food program. The allocations in this  
27 subsection shall be adjusted annually according to changes in the GDP  
28 price deflator as defined in section 41-563, and the allocations are  
29 exempt from the provisions of section 35-190 relating to lapsing of  
30 appropriations. If there are not sufficient monies available pursuant to  
31 this subsection, the allocation of monies for each program shall be  
32 reduced on a pro rata basis.

33 D. If the state lottery director determines that monies available  
34 to the state general fund may not equal \$84,150,000 in a fiscal year, the  
35 director shall not authorize deposits to the Arizona game and fish  
36 commission heritage fund pursuant to subsection B of this section OR THE  
37 ARIZONA STATE PARKS HERITAGE FUND PURSUANT TO SUBSECTION C OF THIS SECTION  
38 until the deposits to the state general fund equal \$84,150,000 in a fiscal  
39 year.

40 E. Of the monies remaining in the state lottery fund each fiscal  
41 year after appropriations and deposits authorized in subsections A through  
42 D of this section, \$1,000,000 or the remaining balance in the fund,  
43 whichever is less, is appropriated to the department of economic security  
44 for grants to nonprofit organizations, including faith-based  
45 organizations, for homeless emergency and transitional shelters and

1 related support services. The department of economic security shall  
2 submit a report on the amounts, recipients, purposes and results of each  
3 grant to the governor, the speaker of the house of representatives and the  
4 president of the senate on or before December 31 of each year for the  
5 prior fiscal year and shall provide a copy of this report to the secretary  
6 of state.

7 F. Of the monies remaining in the state lottery fund each fiscal  
8 year after appropriations and deposits authorized in subsections A  
9 through E of this section, and after a total of at least \$99,640,000 has  
10 been deposited in the state general fund, \$3,500,000 shall be deposited in  
11 the Arizona competes fund established by section 41-1545.01. The balance  
12 in the state lottery fund remaining after deposits into the Arizona  
13 competes fund shall be deposited in the university capital improvement  
14 lease-to-own and bond fund established by section 15-1682.03, up to a  
15 maximum of eighty percent of the total annual payments of lease-to-own and  
16 bond agreements entered into by the Arizona board of regents.

17 G. All monies remaining in the state lottery fund after the  
18 appropriations and deposits authorized in this section shall be deposited  
19 in the state general fund.

20 H. Except for monies expended for debt service of revenue bonds as  
21 provided in subsection A of this section, monies expended under subsection  
22 A of this section are subject to legislative appropriation.

23 I. The commission shall transfer monies prescribed in this section  
24 on a quarterly basis.

25 Sec. 3. Section 41-502, Arizona Revised Statutes, is amended to  
26 read:

27 41-502. Arizona state parks heritage fund; exemption

28 A. The Arizona state parks heritage fund is established consisting  
29 of MONIES DEPOSITED FROM THE STATE LOTTERY FUND PURSUANT TO SECTION 5-572  
30 AND INTEREST EARNED ON THOSE MONIES, legislative appropriations, grants  
31 and donations.

32 B. The Arizona state parks board shall administer the fund. Monies  
33 in the fund are continuously appropriated. On notice from the Arizona  
34 state parks board, the state treasurer shall invest and divest monies in  
35 the fund as provided by section 35-313, and monies earned from investment  
36 shall be credited to the fund. Monies in the fund are exempt from the  
37 provisions of section 35-190 relating to lapsing of appropriations.

38 Sec. 4. Exemption from rulemaking

39 For the purposes of this act, the Arizona state parks board is  
40 exempt from the rulemaking requirements of title 41, chapter 6, Arizona  
41 Revised Statutes, for one year after the effective date of this act.

42 Sec. 5. Effective date

43 Section 5-572, Arizona Revised Statutes, as amended by Laws 2024,  
44 chapter 210, section 3 and this act, is effective from and after June 30,  
45 2027.