

House Engrossed
general appropriations act; 2022-2023

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HOUSE BILL 2862

AN ACT

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

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

5 A. The following amounts are appropriated from the department of
6 administration subaccount in the automation projects fund established
7 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
8 2021-2022 to the department of administration for the following automation
9 and information projects at the department of administration:

10 1. \$2,000,000 to relocate the Tucson data center to a third-party
11 location.

12 2. \$7,758,900 to develop a business one-stop web portal.

13 3. \$3,000,000 to develop a K-12 school financial transparency
14 reporting portal.

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

20 C. The sum of \$9,000,000 is appropriated from the department of
21 economic security subaccount in the automation projects fund established
22 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
23 2021-2022 to the department of administration to update the child care
24 management system at the department of economic security.

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

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

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

1 replace information technology systems at the industrial commission of
2 Arizona.

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

8 H. The sum of \$550,000 is appropriated from the department of
9 public safety subaccount in the automation projects fund established
10 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
11 2021-2022 to the department of administration to update the concealed
12 weapons tracking system at the department of public safety.

13 Quarterly Reports

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

20 Nonlapsing

21 J. Except for the ~~amount~~ AMOUNTS appropriated to the department of
22 administration for the K-12 school financial transparency reporting portal
23 AND THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA SYSTEM, the amounts
24 appropriated pursuant to this section from the automation projects fund
25 established by section 41-714, Arizona Revised Statutes, in fiscal year
26 2021-2022 are exempt from the provisions of section 35-190, Arizona
27 Revised Statutes, relating to lapsing of appropriations, until June 30,
28 2023. THE AMOUNT APPROPRIATED IN FISCAL YEAR 2021-2022 TO THE DEPARTMENT
29 OF ADMINISTRATION FOR THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA
30 SYSTEM IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED
31 STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30, 2024. The
32 amount appropriated in fiscal year 2021-2022 to the department of
33 administration for the K-12 school financial transparency reporting portal
34 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
35 relating to lapsing of appropriations, until June 30, 2025.

36 Exemption

37 K. Notwithstanding section 41-714, Arizona Revised Statutes, in
38 fiscal year 2021-2022, with the exception of appropriations made for the
39 department of administration business one-stop web portal, the department
40 of economic security child care management system and the department of
41 education school finance data system, the appropriations made in this
42 section do not require review from the joint legislative budget committee
43 pursuant to section 41-714, Arizona Revised Statutes.

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

6 Sec. 3. ARIZONA STATE BOARD OF ACCOUNTANCY

7		<u>2022-23</u>
8	FTE positions	14.0
9	Lump sum appropriation	\$ 2,051,800
10	Fund sources:	
11	Board of accountancy fund	\$ 2,051,800

12 Sec. 4. ACUPUNCTURE BOARD OF EXAMINERS

13		<u>2022-23</u>
14	FTE positions	1.0
15	Lump sum appropriation	\$ 182,300
16	Fund sources:	
17	Acupuncture board of examiners	
18	fund	\$ 182,300

19 Sec. 5. DEPARTMENT OF ADMINISTRATION

20		<u>2022-23</u>
21	FTE positions	539.1
22	Operating lump sum appropriation	\$ 87,507,900
23	Utilities	7,649,900
24	Arizona financial information	
25	system	12,923,800
26	Risk management administrative	
27	expenses	8,597,800
28	Risk management losses and	
29	premiums	48,396,100
30	Workers' compensation losses	
31	and premiums	28,253,000
32	Cyber risk insurance	21,587,200
33	Information technology project	
34	management and oversight	1,504,400
35	State surplus property sales	
36	agency proceeds	1,810,000
37	Southwest defense contracts	25,000
38	Election security grants	1,500,000
39	Health care interoperability grants	12,000,000
40	School safety interoperability fund	
41	deposit	20,000,000
42	Fire incident management system	
43	grants	6,100,000*

1	K-12 transportation grants	20,000,000
2	Government transformation office	<u>2,016,900</u>
3	Total appropriation – department of	
4	administration	\$279,872,000
5	Fund sources:	
6	State general fund	\$ 67,955,000
7	Air quality fund	928,200
8	Arizona financial information	
9	system collections fund	12,923,800
10	Automation operations fund	31,127,700
11	Capital outlay stabilization fund	18,395,100
12	Corrections fund	575,000
13	Cyber risk insurance fund	21,587,200
14	Federal surplus materials revolving	
15	fund	466,900
16	Information technology fund	2,101,200
17	Personnel division fund	12,764,900
18	Risk management revolving fund	93,099,400
19	Special employee health insurance	
20	trust fund	5,533,200
21	Special services revolving fund	1,170,700
22	State surplus materials revolving	
23	fund	2,979,800
24	State web portal fund	6,612,200
25	Telecommunications fund	1,651,700

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

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

41 On or before September 1, 2023, the department shall submit a report
 42 to the joint legislative budget committee on the results of pilot projects
 43 implemented in fiscal year 2022-2023 for the state employee public
 44 transportation service reimbursements pursuant to section 41-710.01,
 45 Arizona Revised Statutes, in a vehicle emissions control area as defined

1 in section 49-541, Arizona Revised Statutes, of a county with a population
2 of more than four hundred thousand persons.

3 All state surplus materials revolving fund monies received by the
4 department of administration in excess of \$2,979,800 in fiscal year
5 2022-2023 are appropriated to the department. Before spending state
6 surplus materials revolving fund monies in excess of \$2,979,800 in fiscal
7 year 2022-2023, the department shall report the intended use of the monies
8 to the joint legislative budget committee.

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

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

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

19	1. Maricopa county sheriff	\$3,050,000
20	2. Tucson police department	\$2,000,000
21	3. Pinal county sheriff	\$1,800,000
22	4. Yavapai county sheriff	\$1,800,000
23	5. Cochise county sheriff	\$1,500,000
24	6. Navajo county sheriff	\$1,250,000
25	7. City of Yuma police department	\$1,350,000
26	8. Mohave county sheriff	\$1,250,000
27	9. Coconino county sheriff	\$1,250,000
28	10. Apache county sheriff	\$1,000,000
29	11. Gila county sheriff	\$1,000,000
30	12. Santa Cruz county sheriff	\$ 750,000
31	13. Graham county sheriff	\$ 750,000
32	14. La Paz county sheriff	\$ 750,000
33	15. Greenlee county sheriff	\$ 500,000

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

36 1. A total of \$1,000,000 to one or more county recorders to test
37 ballot paper in tabulation systems with specific security features,
38 including watermarks or unique ballot identifiers, or both. The security
39 features shall be used to authenticate the ballot as an official ballot,
40 but may not make the ballot identifiable to a particular elector. The
41 testing shall allow for different sized ballots. Not later than May 1,
42 2023, the department shall compile a report from the selected counties on
43 recommended ballot security features and submit the report to the
44 president of the senate, speaker of the house of representatives and
45 secretary of state.

1 2. A total of \$500,000 to procure, install and maintain photo and
2 video surveillance twenty-four hours per day, seven days per week for
3 secure ballot boxes as follows:

4 (a) Six ballot boxes in Cochise county.

5 (b) Seven ballot boxes in Yuma county.

6 (c) Three ballot boxes in Pinal county.

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

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

16 1. Enables the statewide deployment of a secure incident management
17 platform to fire and law enforcement agencies.

18 2. Provides a standardized incident command and management platform
19 based on federal emergency management agency standards that enable diverse
20 incident management and support entities to work together and to ensure
21 the following:

22 (a) A clearly defined chain of command.

23 (b) The use of common terminology.

24 (c) The safety of first responders and others.

25 (d) The achievement of response objectives.

26 (e) The efficient use of resources.

27 3. Provides a collaboration and communications solution that does
28 the following:

29 (a) Identifies the location, status and assignment of assigned
30 resources.

31 (b) Allows status updates, tracking and management of an incident.

32 (c) Allows secure messaging and file sharing to all users involved
33 in an incident.

34 (d) Allows the sharing of collaborative maps, building floor plans
35 and images between public safety agencies.

36 (e) Allows collaboration and information sharing between disparate
37 agencies during a mass casualty incident.

38 (f) Defines a federal emergency management agency or national
39 incident management systems based organizational structure for the
40 management of incidents.

41 (g) Provides the ability to print standard integrated computer
42 solutions forms for tracking and cost reimbursement.

43 (h) Provides enhanced telemetry-based firefighter safety
44 monitoring.

- 1 (i) Works in areas without internet access in a disconnected mode.
- 2 (j) Provides a seamless and connected platform for notification,
- 3 response and rostering.

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

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

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

	<u>2022-23</u>
12 FTE positions	17.0
13 Operating lump sum appropriation	\$ 1,717,400
14 New school facilities debt service	9,938,100
15 Building renewal grants deposit	199,967,900
16 New school facilities	48,253,900
17 Kirkland site conditions	<u>400,000</u>
18 Total appropriation – department of	
19 administration, division	
20 of school facilities	\$260,277,300

21 Fund sources:

22 State general fund	\$260,277,300
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23 Pursuant to section 35-142.01, Arizona Revised Statutes, any
 24 reimbursement received by or allocated to the division of school
 25 facilities under the federal qualified school construction bond program in
 26 fiscal year 2022-2023 shall be deposited in or revert to the state general
 27 fund.
 28

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

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

37 Sec. 7. OFFICE OF ADMINISTRATIVE HEARINGS

	<u>2022-23</u>
38 FTE positions	12.0
39 Lump sum appropriation	\$ 891,800
40 Fund sources:	
41 State general fund	\$ 891,800

1	Sec. 8. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS		
2			<u>2022-23</u>
3	FTE positions		3.0
4	Lump sum appropriation	\$	128,800
5	Fund sources:		
6	State general fund	\$	128,800
7	Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE		
8			<u>2022-23</u>
9	FTE positions		209.9
10	Operating lump sum appropriation	\$	13,629,800
11	Agricultural employment relations		
12	board		23,300
13	Animal damage control		65,000
14	Livestock operator assistance		
15	program deposit		10,000,000
16	Red imported fire ant control		23,200
17	Agricultural consulting and		
18	training		<u>128,500</u>
19	Total appropriation – Arizona department		
20	of agriculture	\$	23,869,800
21	Fund sources:		
22	State general fund	\$	22,415,700
23	Air quality fund		1,454,100
24	The appropriation made to the department of agriculture in Laws		
25	2021, chapter 408, section 8 for information technology improvements is		
26	exempt from the provisions of section 35-190, Arizona Revised Statutes,		
27	relating to lapsing of appropriations, until June 30, 2023.		
28	Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM		
29			<u>2022-23</u>
30	FTE positions		2,348.3
31	Operating lump sum appropriation	\$	123,008,100
32	Administration		
33	AHCCCS data storage		19,325,800
34	DES eligibility		97,074,500
35	Proposition 204 – AHCCCS		
36	administration		13,906,200
37	Proposition 204 – DES eligibility		44,358,700
38	<u>Medicaid services</u>		
39	Traditional medicaid services		7,303,608,100
40	Proposition 204 services		6,390,896,200
41	Adult expansion services		804,705,200
42	Comprehensive medical and		
43	dental program		244,906,300
44	KidsCare services		152,682,100

1	ALTCS services	2,576,091,400
2	Behavioral health services	
3	in schools	9,891,200
4	<u>Nonmedicaid behavioral health services</u>	
5	Crisis services	16,391,300
6	Nonmedicaid seriously mentally	
7	ill services	77,646,900
8	Supported housing	65,324,800
9	Secure behavioral health residential	
10	facilities	25,000,000
11	<u>Hospital payments</u>	
12	Disproportionate share payments	5,087,100
13	Disproportionate share payments –	
14	voluntary match	37,425,900
15	Rural hospitals	28,612,400
16	Graduate medical education	393,232,100
17	Targeted investments program	<u>50,000,000</u>
18	Total appropriation and expenditure	
19	authority – Arizona health	
20	care cost containment system	\$18,479,174,300
21	Fund sources:	
22	State general fund	\$ 2,317,106,000
23	Budget neutrality compliance fund	4,303,100
24	Children's health insurance	
25	program fund	123,476,900
26	Prescription drug rebate	
27	fund – state	165,158,600
28	Seriously mentally ill	
29	housing trust fund	200,000
30	Substance abuse services fund	2,250,200
31	Tobacco products tax fund –	
32	emergency health services	
33	account	17,448,300
34	Tobacco tax and health care	
35	fund – medically needy account	67,179,700
36	Expenditure authority	15,782,051,500
37	<u>Operating budget</u>	

38 The amount appropriated for the DES eligibility line item shall be
39 used for intergovernmental agreements with the department of economic
40 security for eligibility determination and other functions. The state
41 general fund share may be used for eligibility determination for other
42 programs administered by the division of benefits and medical eligibility
43 based on the results of the Arizona random moment sampling survey.

1 The amounts included in the proposition 204 – AHCCCS administration,
2 proposition 204 – DES eligibility and proposition 204 services line items
3 include all available sources of funding consistent with section
4 36-2901.01, subsection B, Arizona Revised Statutes.

5 Before spending the monies for the replacement of the prepaid
6 medicaid management information system, the Arizona strategic enterprise
7 technology office shall submit, on behalf of the Arizona health care cost
8 containment system, an expenditure plan for review by the joint
9 legislative budget committee. The report shall include the project cost,
10 deliverables, the timeline for completion and the method of procurement
11 that are consistent with the department's prior reports for its
12 appropriations from the automation projects fund.

13 Medical services and behavioral health services

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

18 The Arizona health care cost containment system administration shall
19 report to the joint legislative budget committee on or before March 1,
20 2023 on preliminary actuarial estimates of the capitation rate changes for
21 the following fiscal year along with the reasons for the estimated
22 changes. For any actuarial estimates that include a range, the total
23 range from minimum to maximum may not be more than two percent. Before
24 implementing any changes in capitation rates, the administration shall
25 report its expenditure plan for review by the joint legislative budget
26 committee. Before the administration implements any change in policy
27 affecting the amount, sufficiency, duration and scope of health care
28 services and who may provide services, the administration shall prepare a
29 fiscal impact analysis on the potential effects of this change on the
30 following year's capitation rates. If the fiscal impact analysis
31 demonstrates that this change will result in additional state costs of
32 \$1,000,000 or more for any fiscal year, the administration shall submit
33 the policy change for review by the joint legislative budget committee.

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

37 The expenditure authority amount includes an increase of
38 \$400,000,000 from the health care investment fund for additional directed
39 payments to hospitals.

40 It is the intent of the legislature that the Arizona health care
41 cost containment system administration allocate \$7,500,000 from the state
42 general fund and \$25,191,300 from expenditure authority for a 2.5 percent
43 increase to the outpatient behavioral health fee schedule. On or before
44 October 1, 2022, the administration shall report to the joint legislative

1 budget committee on the actual distribution of rate increases by its
2 contracted health plans.

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

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

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

21 The amount appropriated for the traditional medicaid services line
22 item includes monies to increase a differential adjustment payment by
23 \$1,250 for twenty-four-bed pediatric skilled nursing facilities offering
24 skilled nursing services in place of intensive care services. This
25 increased payment is contingent on approval from the centers for medicare
26 and medicaid services before implementation.

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

33 The amount appropriated for the ALTCS services line item includes
34 \$237,200,000 from expenditure authority to implement the American rescue
35 plan act of 2021 (P.L. 117-2) home and community-based services spending
36 plan in fiscal year 2022-2023. The administration may not use these
37 monies for marketing purposes, and any direct payments or grants provided
38 with the monies shall include a notification to the recipient that the
39 monies are onetime funding. Beginning on or before July 31, 2022, the
40 administration shall provide quarterly reports to the joint legislative
41 budget committee at the same time that the information is provided to the
42 centers for medicare and medicaid services, reflecting any changes to the
43 administration's spending plan. Of the amount appropriated for the ALTCS
44 services line item, \$237,200,000 is exempt from the provisions of section
45 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

1 On or before June 30, 2023, the Arizona health care cost containment
2 system administration shall report to the joint legislative budget
3 committee on the progress in implementing the Arnold v. Sarn lawsuit
4 settlement. The report shall include, at a minimum, the administration's
5 progress toward meeting all criteria specified in the 2014 joint
6 stipulation, including the development and estimated cost of additional
7 behavioral health service capacity in Maricopa county for supported
8 housing services for 1,200 class members, supported employment services
9 for 750 class members, eight assertive community treatment teams and
10 consumer operated services for 1,500 class members. The administration
11 shall also report by fund source the amounts it plans to use to pay for
12 expanded services.

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

23 The appropriated amount for the supported housing line item includes
24 \$60,000,000 of federal medicaid expenditure authority. If the
25 administration's housing and health opportunities section 1115 waiver
26 amendment is denied federal approval, the amount of \$60,000,000 of federal
27 medicaid expenditure authority is reduced from the supported housing line
28 item appropriation.

29 The monies appropriated for secure behavioral health residential
30 facilities shall support five secure behavioral health residential
31 facilities licensed by the department of health services pursuant to
32 section 36-425.06, Arizona Revised Statutes, to provide secure on-site
33 supportive treatment to persons determined to be seriously mentally ill,
34 who are chronically resistant to treatment and who are placed in the
35 facility pursuant to a court order. Three facilities shall be located in
36 the central geographic service area, one facility shall be located in the
37 north geographic service area and one facility shall be located in the
38 south geographic service area. The administration shall allocate up to
39 \$5,000,000 for each recipient facility, prioritizing facilities that can
40 open within twelve months after the effective date of this act.

41 Long-term care

42 Any federal monies that the Arizona health care cost containment
43 system administration passes through to the department of economic
44 security for use in long-term care for persons with developmental

1 disabilities do not count against the long-term care expenditure
2 authority.

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

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

17 This appropriation includes \$24,200,000 from the state general fund,
18 \$19,364,100 from county funds and \$100,081,500 from expenditure authority
19 for an eleven percent increase to provider rates for both home and
20 community-based services and skilled nursing facilities.

21 Payments to hospitals

22 The \$5,087,100 appropriation for disproportionate share payments for
23 fiscal year 2022-2023 made pursuant to section 36-2903.01, subsection 0,
24 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
25 health care district and \$884,800 for private qualifying disproportionate
26 share hospitals.

27 Any monies received for disproportionate share hospital payments
28 from political subdivisions of this state, tribal governments and any
29 university under the jurisdiction of the Arizona board of regents, and any
30 federal monies used to match those payments, in fiscal year 2022-2023 by
31 the Arizona health care cost containment system administration in excess
32 of \$37,425,900 are appropriated to the administration in fiscal year
33 2022-2023. Before spending these increased monies, the administration
34 shall notify the joint legislative budget committee and the governor's
35 office of strategic planning and budgeting of the amount of monies that
36 will be spent under this provision.

37 The expenditure authority fund source includes voluntary payments
38 made from political subdivisions for payments to hospitals that operate a
39 graduate medical education program or treat low-income patients and for
40 payments to qualifying providers affiliated with teaching hospitals. The
41 political subdivision portions of the fiscal year 2022-2023 costs of
42 graduate medical education, disproportionate share payments – voluntary
43 match, traditional medicaid services, proposition 204 services and adult
44 expansion services line items are included in the expenditure authority
45 fund source.

1 Any monies for graduate medical education received in fiscal year
2 2022-2023, including any federal matching monies, by the Arizona health
3 care cost containment system administration in excess of \$393,232,100 are
4 appropriated to the administration in fiscal year 2022-2023. Before
5 spending these increased monies, the administration shall notify the joint
6 legislative budget committee and the governor's office of strategic
7 planning and budgeting of the amount of monies that will be spent under
8 this provision.

9 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
10 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
11 graduate medical education includes \$5,000,000 from the state general fund
12 and \$13,549,300 from expenditure authority for the direct and indirect
13 costs of graduate medical education programs located in counties with a
14 population of less than five hundred thousand persons. The state general
15 fund amount may supplement, but not supplant, voluntary payments made from
16 political subdivisions for payments to hospitals that operate a graduate
17 medical education program. The administration shall prioritize
18 distribution to programs at hospitals in counties with a higher percentage
19 of persons residing in a health professional shortage area as defined in
20 42 Code of Federal Regulations part 5.

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

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

33 Other

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

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

41 Sec. 11. ARIZONA COMMISSION ON THE ARTS

42		<u>2022-23</u>
43	Arizona arts trust fund deposit	\$ 5,000,000
44	Fund sources:	
45	State general fund	\$ 5,000,000

1	Sec. 12. BOARD OF ATHLETIC TRAINING	
2		<u>2022-23</u>
3	FTE positions	1.5
4	Lump sum appropriation	\$ 143,700
5	Fund sources:	
6	Athletic training fund	\$ 143,700
7	Sec. 13. ATTORNEY GENERAL – DEPARTMENT OF LAW	
8		<u>2022-23</u>
9	FTE positions	655.7
10	Operating lump sum appropriation	\$ 57,056,100
11	Capital postconviction prosecution	802,200
12	Child and family advocacy centers	600,000
13	Colorado City radio dispatch system	400,000
14	Criminal division major fraud unit	1,139,000
15	Internet crimes against children	
16	enforcement	1,250,000
17	Employee stipend/retention bonus	3,000,000
18	Expert witness and outside counsel	2,000,000
19	Federalism unit	1,236,000
20	Government accountability and	
21	special litigation	1,235,200
22	Opioid abatement	5,000,000
23	Organized retail theft	
24	task force	1,500,000
25	Risk management interagency	
26	service agreement	9,617,300
27	State grand jury	180,500
28	Southern Arizona law enforcement	1,527,500
29	Tobacco enforcement	829,800
30	Victims' rights	3,967,200
31	Voter fraud unit	<u>525,400</u>
32	Total appropriation – attorney general –	
33	department of law	\$91,866,200
34	Fund sources:	
35	State general fund	\$24,853,200
36	Antitrust enforcement revolving	
37	fund	148,700
38	Attorney general legal services	
39	cost allocation fund	2,110,300
40	Collection enforcement revolving	
41	fund	6,925,700
42	Consumer protection-consumer	
43	fraud revolving fund	19,463,100

1	Consumer restitution and	
2	remediation revolving fund –	
3	consumer remediation subaccount	5,000,000
4	Interagency service agreements fund	16,474,900
5	Internet crimes against children	
6	enforcement fund	900,000
7	Risk management revolving fund	12,221,500
8	Victims' rights fund	3,768,800

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

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

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

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

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

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

40 Sec. 14. BARBERING AND COSMETOLOGY BOARD

41		<u>2022-23</u>
42	FTE positions	29.5
43	Lump sum appropriation	\$ 2,662,800
44	Fund sources:	
45	Barbering and cosmetology fund	\$ 2,662,800

1	Sec. 15. BOARD OF BEHAVIORAL HEALTH EXAMINERS	
2		<u>2022-23</u>
3	FTE positions	20.0
4	Lump sum appropriation	\$ 2,008,100
5	Fund sources:	
6	Board of behavioral health	
7	examiners fund	\$ 2,008,100
8	Sec. 16. STATE BOARD FOR CHARTER SCHOOLS	
9		<u>2022-23</u>
10	FTE positions	25.0
11	Lump sum appropriation	\$ 3,176,000
12	Fund sources:	
13	State general fund	\$ 3,176,000
14	Sec. 17. DEPARTMENT OF CHILD SAFETY	
15		<u>2022-23</u>
16	FTE positions	3,203.1
17	Operating lump sum appropriation	\$126,172,600
18	<u>Additional operating resources</u>	
19	Attorney general legal services	25,522,800
20	Caseworkers	111,900,500
21	General counsel	157,000
22	Inspections bureau	2,514,800
23	New case aides	3,232,200
24	Office of child welfare	
25	investigations	9,699,400
26	Records retention staff	589,900
27	Training resources	9,150,000
28	<u>Out-of-home placements</u>	
29	Congregate group care	125,847,200
30	Extended foster care	17,037,200
31	Foster home placement	51,929,500
32	Foster home recruitment,	
33	study and supervision	32,753,600
34	Kinship care	5,000,000
35	<u>Permanent placements</u>	
36	Adoption services	278,258,500
37	Permanent guardianship subsidy	12,516,900
38	<u>Support services</u>	
39	DCS child care subsidy	61,675,400
40	In-home mitigation	28,988,100
41	Out-of-home support services	122,710,800
42	Preventive services	25,148,300
43	<u>Comprehensive health plan</u>	
44	Comprehensive health plan	
45	services	201,703,700

1	Comprehensive health plan	
2	administration	29,862,500
3	Comprehensive health plan	
4	premium tax	<u>4,550,900</u>
5	Total appropriation and expenditure	
6	authority – department of	
7	child safety	\$1,286,921,800
8	Fund sources:	
9	State general fund	\$ 440,112,800
10	Federal child care and	
11	development fund block grant	40,516,000
12	Federal temporary assistance	
13	for needy families block	
14	grant	157,468,100
15	Child abuse prevention fund	1,459,300
16	Children and family services	
17	training program fund	207,900
18	Child safety expenditure authority	410,098,700
19	Child welfare licensing fee fund	941,900
20	Comprehensive health plan	
21	expenditure authority fund –	
22	expenditure authority	236,117,100

23 Additional operating resources

24 The department of child safety shall provide training to any new
 25 child safety FTE positions before assigning any client caseload duties to
 26 any of these employees.

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

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

34 Out-of-home placements

35 The department of child safety may transfer up to ten percent of the
 36 total amount of federal temporary assistance for needy families block
 37 grant monies appropriated to the department of economic security and the
 38 department of child safety to the social services block grant. Before
 39 transferring federal temporary assistance for needy families block grant
 40 monies to the social services block grant, the department of child safety
 41 shall report the proposed amount of the transfer to the director of the
 42 joint legislative budget committee. This report may be in the form of an
 43 expenditure plan that is submitted at the beginning of the fiscal year and
 44 updated, if necessary, throughout the fiscal year.

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

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

17 The congregate group care line item includes an increase of
18 \$7,000,000 from the state general fund and \$3,920,100 in child safety
19 expenditure authority in fiscal year 2022-2023 for a ten percent increase
20 in the daily rate for children placed in qualified residential treatment
21 programs that are licensed through the department of child safety.

22 Departmentwide

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

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

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

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

44 2. Assisting congregate care providers in attaining status as
45 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, 2023 and August 31, 2023, the department
24 of child safety shall present a report to the joint legislative budget
25 committee on the progress made during July 2022 through December 2022 and
26 January 2023 through June 2023, 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 the caseload
43 reported for December 2022.

44 If the department of child safety has not submitted a required
45 report within thirty days after the report is due, the director of the

1 joint legislative budget committee shall inform the general accounting
 2 office of the department of administration, which shall withhold two
 3 percent of the department of child safety's operating lump sum semiannual
 4 budget allocation until the department of child safety submits the
 5 required report.

6 Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS

7		<u>2022-23</u>
8	FTE positions	5.0
9	Lump sum appropriation	\$ 448,100
10	Fund sources:	
11	Board of chiropractic examiners	
12	fund	\$ 448,100

13 Sec. 19. ARIZONA COMMERCE AUTHORITY

14		<u>2022-23</u>
15	Operating lump sum appropriation	\$ 10,000,000
16	Arizona competes fund deposit	5,500,000
17	Asia trade offices	750,000
18	Blockchain/wearable research	5,000,000
19	Economic development marketing	
20	and attraction	1,000,000
21	Frankfurt, Germany trade office	500,000
22	Israel trade office	300,000
23	Mexico trade offices	500,000
24	Water infrastructure and commerce	
25	grant fund deposit	15,000,000
26	Major events fund deposit	<u>7,500,000</u>
27	Total appropriation – Arizona commerce	
28	authority	\$ 46,050,000
29	Fund sources:	
30	State general fund	\$ 41,050,000
31	State web portal fund	5,000,000

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

39 The authority shall distribute the monies in the blockchain/wearable
 40 research line item to applied research centers located in this state that
 41 specialize in blockchain technology, wearable technology or a technology
 42 discipline approved by the authority to be allocated as follows:

- 43 1. \$500,000 for distribution to applied research centers that
 44 specialize in blockchain technology.

1 2. \$3,000,000 for distribution to applied research centers that
2 specialize in wearable technology, including hardware or software
3 components, or both.

4 3. \$1,500,000 for distribution to applied research centers in a
5 technology discipline that is approved by the authority.

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

18 An applied research center that receives a distribution pursuant to
19 this section must collaborate with universities, nonprofit business
20 associations, health science research centers, institutes or other
21 technology businesses that do business in this state. On or before
22 September 15, 2026, the applied research center or institute shall return
23 to the authority all monies received by the applied research center or
24 institute pursuant to this section that remain unexpended and unencumbered
25 on September 1, 2026. The authority shall deposit the returned monies in
26 the state web portal fund established by section 18-421, Arizona Revised
27 Statutes. The authority shall notify the president of the senate and the
28 speaker of the house of representatives on or before July 1, 2023 and July
29 1, 2024 if the authority has not distributed any monies pursuant to this
30 section.

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

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

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

44 The \$7,500,000 appropriated in the major events fund deposit line
45 item pursuant to laws 2021, chapter 408, section 17 is exempt from the

1 provisions of section 35-190, Arizona Revised Statutes, relating to the
 2 lapsing of appropriations, until June 30, 2023.

3 Sec. 20. ARIZONA COMMUNITY COLLEGES

	<u>2022-23</u>
4	
5	<u>Equalization aid</u>
6	Cochise \$ 8,771,400
7	Graham 19,114,000
8	Navajo 9,912,900
9	Yuma/La Paz <u>530,200</u>
10	Total – equalization aid \$ 38,328,500
11	<u>Operating state aid</u>
12	Cochise \$ 4,230,000
13	Coconino 1,369,600
14	Gila 155,300
15	Graham 1,532,300
16	Mohave 903,000
17	Navajo 1,393,400
18	Pinal 818,200
19	Yavapai 300,400
20	Yuma/La Paz <u>1,898,200</u>
21	Total – operating state aid \$ 12,600,400
22	<u>STEM and workforce programs state aid</u>
23	Cochise \$ 895,200
24	Coconino 293,800
25	Gila 91,900
26	Graham 361,500
27	Maricopa 8,584,900
28	Mohave 373,800
29	Navajo 283,600
30	Pima 1,776,600
31	Pinal 551,100
32	Santa Cruz 21,800
33	Yavapai 611,100
34	Yuma/La Paz <u>877,500</u>
35	Total – STEM and workforce programs
36	state aid \$ 14,722,800
37	<u>Rural aid</u>
38	Cochise \$ 5,267,500
39	Coconino 1,343,400
40	Gila 421,800
41	Graham 1,633,200
42	Mohave 1,714,400
43	Navajo 1,305,600
44	Pinal 2,476,600
45	Santa Cruz 97,800

1	Yavapai	2,782,200
2	Yuma/La Paz	<u>3,957,500</u>
3	Total – rural aid	\$ 21,000,000
4	Rural county reimbursement subsidy	\$ 1,082,900
5	Additional Gila workforce	
6	development aid	200,000
7	Diné college remedial education	1,000,000
8	Cochise first responders	
9	academy	<u>6,250,000</u>
10	Total appropriation – Arizona community	
11	colleges	\$ 95,184,600
12	Fund sources:	
13	State general fund	\$ 95,184,600
14	Of the \$1,082,900 appropriated to the rural county reimbursement	
15	subsidy line item, Apache county receives \$699,300 and Greenlee county	
16	receives \$383,600.	
17	On or before October 15, 2023, the Diné college board of regents	
18	shall submit to the governor, the speaker of the house of representatives,	
19	the president of the senate, the secretary of state and the joint	
20	legislative budget committee a report that details the course completion	
21	rate for students who received remedial education during the 2022-2023	
22	academic year.	
23	The amount appropriated for the Cochise first responders academy	
24	line item shall be distributed to Cochise community college to build an	
25	indoor shooting range and burn tower for the first responders academy.	
26	Sec. 21. REGISTRAR OF CONTRACTORS	
27		<u>2022-23</u>
28	FTE positions	105.6
29	Operating lump sum appropriation	\$ 11,572,700
30	Office of administrative	
31	hearings costs	<u>1,017,600</u>
32	Total appropriation – registrar of	
33	contractors	\$ 12,590,300
34	Fund sources:	
35	Registrar of contractors fund	\$ 12,590,300
36	Sec. 22. CORPORATION COMMISSION	
37		<u>2022-23</u>
38	FTE positions	301.9
39	Operating lump sum appropriation	\$ 27,254,100
40	Corporation filings, same-day	
41	service	408,400
42	Utilities audits, studies,	
43	investigations and hearings	<u>380,000*</u>
44	Total appropriation – corporation commission	\$ 28,042,500

1	Fund sources:	
2	State general fund	\$ 715,900
3	Arizona arts trust fund	51,200
4	Investment management regulatory	
5	and enforcement fund	721,600
6	Public access fund	6,799,400
7	Securities regulatory and	
8	enforcement fund	5,135,300
9	Utility regulation revolving fund	14,619,100
10	Sec. 23. STATE DEPARTMENT OF CORRECTIONS	
11		<u>2022-23</u>
12	FTE positions	9,569.0
13	Operating lump sum appropriation	\$ 857,529,400
14	Private prison per diem	237,554,100
15	Community corrections	23,684,000
16	Community treatment program	
17	For imprisoned women	2,000,000*
18	Inmate health care contracted	
19	services	269,681,300
20	Substance abuse treatment	6,100,700
21	Onetime vehicle purchase	<u>9,048,400</u>
22	Total appropriation – state department	
23	of corrections	\$1,405,597,900
24	Fund sources:	
25	State general fund	\$1,347,400,900
26	State education fund for	
27	correctional education	743,300
28	Alcohol abuse treatment fund	555,700
29	Penitentiary land fund	2,790,700
30	State charitable, penal and	
31	reformatory institutions	
32	land fund	2,663,700
33	Corrections fund	30,967,700
34	Transition program fund	2,400,200
35	Prison construction and	
36	operations fund	12,500,000
37	Inmate store proceeds fund	5,575,700

38 Of the amount appropriated in the operating lump sum, \$421,203,300
 39 is designated for personal services and \$268,815,300 is designated for
 40 employee-related expenditures. The department shall submit an expenditure
 41 plan to the joint legislative budget committee for review before spending
 42 these monies other than for personal services or employee-related
 43 expenditures, except that until January 1, 2023, if the department makes a
 44 transfer between two line items to maximize the use of federal monies, the

1 department shall submit an expenditure plan that is not subject to review
2 before spending those monies.

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

10 The private prison per diem line item includes an increase of
11 \$17,505,300 from the state general fund in fiscal year 2022-2023 for a
12 twenty percent salary increase for correctional officers and all other
13 staff beginning from and after July 8, 2022.

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

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

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

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

38 On or before November 1, 2022, the state department of corrections
39 shall provide a report on bed capacity to the joint legislative budget
40 committee. The report shall reflect the bed capacity for each security
41 classification by gender at each state-run and private institution,
42 divided by rated and total beds. The report shall include bed capacity
43 data for June 30, 2021 and June 30, 2022 and the projected capacity for
44 June 30, 2023, as well as the reasons for any change within that time
45 period. Within the total bed count, the department shall provide the

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

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

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

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

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

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

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

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

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

44 On or before August 1, 2022, the state department of corrections
45 shall transfer to the public safety personnel retirement system via the

1 department of administration its estimated required annual contribution to
 2 the corrections officer retirement plan for fiscal year 2022-2023.

3 The department shall report actual fiscal year 2021-2022, estimated
 4 fiscal year 2022-2023 and requested fiscal year 2023-2024 expenditures as
 5 delineated in the prior year when the department submits its fiscal year
 6 2023-2024 budget estimate pursuant to section 35-113, Arizona Revised
 7 Statutes.

8 Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2022-23</u>
9	
10	11.0
11	FTE positions
12	Operating lump sum appropriation \$ 1,276,300
13	Major incident regional law
14	enforcement task force 600,000
15	Rural county diversion programs 10,000,000
16	State aid to county attorneys 973,700
17	State aid to indigent defense 700,000
18	State aid for juvenile dependency
19	proceedings fund deposit 2,000,000
20	Victim compensation and
21	assistance <u>6,224,600</u>
22	Total appropriation – Arizona criminal
23	justice commission \$ 21,774,600
24	Fund sources:
25	State general fund 14,600,000
26	Criminal justice enhancement fund 658,800
27	Resource center fund 617,500
28	State aid to county attorneys fund 973,700
29	State aid to indigent defense fund 700,000
30	Victim compensation and assistance
31	fund 4,224,600

32 All victim compensation and assistance fund monies received by the
 33 Arizona criminal justice commission in excess of \$4,224,600 in fiscal year
 34 2022-2023 are appropriated to the crime victims program. Before spending
 35 any victim compensation and assistance fund monies in excess of \$4,224,600
 36 in fiscal year 2022-2023, the Arizona criminal justice commission shall
 37 report the intended use of the monies to the joint legislative budget
 38 committee.

39 All monies received by the Arizona criminal justice commission in
 40 excess of \$973,700 in fiscal year 2022-2023 from the state aid to county
 41 attorneys fund established by section 11-539, Arizona Revised Statutes,
 42 are appropriated to the state aid to county attorneys program. Before
 43 spending any state aid to county attorneys fund monies in excess of
 44 \$973,700 in fiscal year 2022-2023, the Arizona criminal justice commission
 45 shall report the intended use of the monies to the joint legislative
 budget committee.

1 The amount appropriated in the rural county diversion programs line
 2 item is exempt from the provisions of section 35-190, Arizona Revised
 3 Statutes, relating to lapsing of appropriations. The monies shall be
 4 distributed as grants to county attorney offices in counties with a
 5 population of less than nine hundred thousand persons according to the
 6 2020 United States decennial census for the purpose of establishing and
 7 operating alternative prosecution and diversion programs that are based on
 8 evidence-based practices pertaining to diversion from prosecution and
 9 alternatives to prosecution. The commission shall adopt criteria for
 10 distributing grants to eligible counties. The monies may not be used to
 11 supplant existing monies for alternative prosecution and diversion
 12 programs. On or before September 30, 2023, the commission shall submit a
 13 report to the joint legislative budget committee on the use of the monies
 14 and the outcomes obtained by the alternative prosecution and diversion
 15 programs in the previous fiscal year.

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

17 2022-23

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

26 Total appropriation – Arizona state schools
 27 for the deaf and the blind \$ 56,425,700

28 Fund sources:

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

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

37 Before spending any cooperative services fund monies in excess of
 38 \$18,108,600 in fiscal year 2022-2023, the Arizona state schools for the
 39 deaf and the blind shall report to the joint legislative budget committee
 40 the intended use of the monies.

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

42 2022-23

FTE positions		21.0
Operating lump sum appropriation	\$	4,439,900

1	Support services for the	
2	deaf-blind	192,000
3	Aging individuals research	115,000
4	American sign language user support	<u>15,000</u>
5	Total appropriation – commission for the	
6	deaf and the hard of hearing	\$ 4,761,900
7	Fund sources:	
8	Telecommunication fund for	
9	the deaf	\$ 4,761,900
10	Sec. 27. STATE BOARD OF DENTAL EXAMINERS	
11		<u>2022-23</u>
12	FTE positions	11.0
13	Lump sum appropriation	\$ 1,807,400
14	Fund sources:	
15	Dental board fund	\$ 1,807,400
16	Sec. 28. OFFICE OF ECONOMIC OPPORTUNITY	
17		<u>2022-23</u>
18	FTE positions	5.0
19	Lump sum appropriation	\$ 470,300
20	Fund sources:	
21	State general fund	\$ 470,300
22	Sec. 29. DEPARTMENT OF ECONOMIC SECURITY	
23		<u>2022-23</u>
24	FTE positions	4,476.8
25	Operating lump sum appropriation	\$175,254,400
26	<u>Administration</u>	
27	Attorney general legal services	11,222,900
28	<u>Aging and adult services</u>	
29	Adult services	12,731,900
30	Community and emergency services	3,724,000
31	Coordinated homeless services	2,522,600
32	Domestic violence prevention	14,003,900
33	Long-term care ombudsman	1,000,000
34	<u>Benefits and medical eligibility</u>	
35	Temporary assistance for needy	
36	families – cash benefits	22,736,400
37	Coordinated hunger services	2,254,600
38	Tribal pass-through funding	4,680,300
39	<u>Child support enforcement</u>	
40	County participation	8,539,700
41	<u>Developmental disabilities</u>	
42	DDD administration	45,865,500
43	DDD premium tax payment	52,819,500
44	Case management – medicaid	89,879,500

1	Home and community based	
2	services – medicaid	2,449,866,900
3	Institutional services –	
4	medicaid	42,344,200
5	Physical and behavioral	
6	health services – medicaid	528,070,000
7	Medicare clawback payments	5,710,300
8	Targeted case management – medicaid	12,924,500
9	State match transfer from AHCCCS	821,118,700
10	Case management – state-only	6,211,400
11	Home and community based	
12	services – state-only	14,089,000
13	Cost effectiveness study – client	
14	services	8,420,000
15	Arizona early intervention program	9,719,000
16	State-funded long-term care	
17	services	42,669,300
18	Group home monitoring program	1,200,000
19	<u>Employment and rehabilitation services</u>	
20	JOBS	11,005,600
21	Child care subsidy	187,080,200
22	Independent living rehabilitation	
23	services	1,289,400
24	Rehabilitation services	7,249,100
25	Workforce investment act	
26	services	<u>55,006,900</u>
27	Total appropriation and expenditure	
28	authority – department of	
29	economic security	\$4,651,209,700
30	Fund sources:	
31	State general fund	\$1,060,144,700
32	Federal child care and	
33	development fund block grant	199,267,200
34	Federal temporary assistance for	
35	needy families block grant	65,405,800
36	Long-term care system fund	33,280,500
37	Public assistance collections	
38	fund	423,700
39	Special administration fund	4,512,600
40	Spinal and head injuries trust	
41	fund	2,336,000
42	Statewide cost allocation plan	
43	fund	1,000,000

1	Child support enforcement	
2	administration fund	17,204,700
3	Domestic violence services fund	4,000,200
4	Workforce investment act grant	56,069,100
5	Child support enforcement	
6	administration fund expenditure	
7	authority	42,495,100
8	Developmental disabilities	
9	medicaid expenditure authority	3,110,706,900
10	Health care investment fund	
11	expenditure authority	54,363,200

12 Aging and adult services

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

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

23 Benefits and medical eligibility

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

27 Child support enforcement

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

34 Developmental disabilities

35 On or before September 1, 2023, the department of economic security
36 shall report to the president of the senate, the speaker of the house of
37 representatives, the chairpersons of the senate and house of
38 representatives appropriations committees and the director of the joint
39 legislative budget committee any new placement into a state-owned ICF-IID
40 or the Arizona training program at the Coolidge campus in fiscal year
41 2022-2023 and the reason this placement, rather than a placement into a
42 privately run facility for persons with developmental disabilities, was
43 deemed as the most appropriate placement. The department shall also
44 report if no new placements were made. On or before September 1, 2023,
45 the department shall also report to the director of the joint legislative

1 budget committee the total costs associated with the Arizona training
2 program at Coolidge in fiscal year 2022-2023.

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

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

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

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

43 Before transferring any monies in or out of the case management -
44 medicaid, case management - state-only and DDD administration line items,
45 the department shall submit a report for review by the joint legislative

1 budget committee, except that transfers from the state match transfer from
2 AHCCCS line item into those line items do not require a report for review.

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

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

25 Employment and rehabilitation services

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

40 The department of economic security shall forward to the joint
41 legislative budget committee a monthly report listing data on the child
42 care population served. The report must include, at a minimum, in each
43 program the number of unduplicated children enrolled in child care within
44 the department of economic security and the department of child safety by

1 program and the average amount paid per child plus quality-related
 2 spending.

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

8 Departmentwide

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

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

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

30 Sec. 30. STATE BOARD OF EDUCATION

		<u>2022-23</u>
31		
32	FTE positions	23.0
33	Operating lump sum appropriation	\$ 2,985,900
34	Arizona empowerment scholarship	
35	account appeals	<u>224,200</u>
36	Total appropriation –	
37	state board of education	\$ 3,210,100
38	Fund sources:	
39	State general fund	\$ 3,210,100

40 Sec. 31. SUPERINTENDENT OF PUBLIC INSTRUCTION

		<u>2022-23</u>
41		
42	FTE positions	203.9
43	Operating lump sum appropriation	\$ 10,348,400
44	<u>Formula programs</u>	
45	Basic state aid	5,652,055,000

1	Results-based funding	68,600,000
2	Special education fund	36,029,200
3	Other state aid to districts	983,900
4	Classroom site fund	946,524,800
5	Instructional improvement fund	54,425,700
6	<u>Property tax relief</u>	
7	Additional state aid	510,093,700
8	<u>Non-formula programs</u>	
9	Accountability and achievement	
10	testing	20,423,300
11	Adult education	21,487,800
12	Adult education and workforce	
13	development administration	250,000
14	Alternative teacher development	
15	program	500,000
16	Arizona empowerment scholarship	
17	account administration	2,176,400
18	Arizona English language	
19	learner fund	4,960,400
20	Code writers initiative program	1,000,000
21	CTED completion grants	1,000,000
22	CTED soft capital and equipment	1,000,000
23	College credit by examination	
24	incentive program	7,472,100
25	College placement exam fee waiver	1,265,800
26	Computer science professional	
27	development program	1,000,000
28	Early literacy	12,000,000
29	Education learning and	
30	accountability system	5,315,400
31	English learner administration	6,516,900
32	Foster home youth transitional	
33	housing	10,000,000
34	Geographic literacy	100,000
35	Gifted assessments	850,000
36	Jobs for Arizona graduates	100,000
37	Onetime electronic incident prevention	
38	programs	150,000
39	School safety program	81,925,200
40	State block grant for vocational	
41	education	11,576,300
42	Student level data access	350,000

1	Teacher certification	2,403,000
2	Tribal college dual enrollment	
3	program	<u>325,000</u>
4	Total appropriation and expenditure	
5	authority – superintendent	
6	of public instruction	\$7,473,208,300
7	Fund sources:	
8	State general fund	\$5,973,447,600
9	Education sales tax fund	7,000,000
10	Permanent state school fund	328,895,600
11	Teacher certification fund	2,359,100
12	Tribal college dual enrollment	
13	program fund	325,000
14	Department of education empowerment	
15	scholarship account fund	350,000
16	Expenditure authority	1,160,831,000

17 Operating budget

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

21 The amount appropriated for the department of education's operating
 22 budget includes \$500,000 for technical assistance and state-level
 23 administration of the K-3 reading program established pursuant to section
 24 15-211, Arizona Revised Statutes.

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

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

37 Basic state aid

38 The appropriation for basic state aid provides basic state support
 39 to school districts for maintenance and operations funding as provided by
 40 section 15-973, Arizona Revised Statutes, and includes an estimated
 41 \$328,895,600 in expendable income derived from the permanent state school
 42 fund and from state trust lands pursuant to section 37-521, subsection B,
 43 Arizona Revised Statutes, for fiscal year 2022-2023.

44 Monies derived from the permanent state school fund and any other
 45 non-state general fund revenue source that is dedicated to fund basic

1 state aid shall be spent, whenever possible, before spending state general
2 fund monies.

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

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

19 Other programs

20 Any monies available to the department of education for the
21 classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
22 Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
23 10, Arizona Revised Statutes, in excess of expenditure authority amounts
24 are allocated for the purposes of section 37-521, subsection B, paragraph
25 4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
26 paragraph 10, Arizona Revised Statutes.

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

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

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

40 The appropriated amount for adult education includes \$4,620,000 for
41 the continuing high school and workforce training program established by
42 section 15-217.01, Arizona Revised Statutes, \$6,000,000 for deposit in the
43 adult workforce diploma program fund established by section 15-217.02,
44 subsection B, Arizona Revised Statutes and \$6,000,000 for deposit in the

1 community college adult education workforce development program fund
2 established by section 15-217.03, subsection C, Arizona Revised Statutes.

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

10 If the appropriated amount for CTED completion grants is
11 insufficient to fund all grant requests from career technical education
12 districts, the department of education shall reduce grant amounts on a
13 proportional basis in order to cap total statewide allocations at
14 \$1,000,000.

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

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

24 The department of education shall use the appropriated amount for
25 English learner administration to provide English language acquisition
26 services for the purposes of section 15-756.07, Arizona Revised Statutes,
27 and for the costs of providing English language proficiency assessments,
28 scoring and ancillary materials as prescribed by the department of
29 education to school districts and charter schools for the purposes of
30 title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
31 department may use a portion of the appropriated amount to hire staff or
32 contract with a third party to carry out the purposes of section
33 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192,
34 Arizona Revised Statutes, the superintendent of public instruction also
35 may use a portion of the appropriated amount to contract with one or more
36 private attorneys to provide legal services in connection with the case of
37 Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

38 The amount appropriated for foster home youth transitional housing
39 shall be distributed to the East valley institute of technology for a
40 transitional housing unit. The legislature intends that the monies be
41 used to construct and furnish a sixty-four bed transitional housing unit
42 for foster youths who are at least seventeen years of age but not more
43 than twenty-one years of age and who need stable housing in order to
44 obtain a high school diploma or a high school equivalency diploma and who
45 are earning an industry certification in a program offered by the East

1 valley institute of technology. On or before September 15 in years 2025,
2 2026 and 2027, the superintendent of the East valley institute of
3 technology shall submit a report to the governor, the president of the
4 senate, the speaker of the house of representatives and the directors of
5 the joint legislative budget committee and the governor's office of
6 strategic planning and budgeting, and provide a copy to the secretary of
7 state, detailing the total number of foster youths who lived in the
8 transitional housing unit during the immediately preceding fiscal year and
9 the progress that each foster youth made toward obtaining a high school
10 diploma or a high school equivalency diploma and earning an industry
11 certification during the fiscal year.

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

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

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

23 The amount appropriated for the school safety program includes an
24 increase of \$50,000,000 for additional school safety grants. In
25 allocating the \$50,000,000 increase, the department of education shall
26 first distribute monies to schools on the school safety program waiting
27 list to receive grants for the costs of placing school resource officers
28 on school campuses. The awarded grants may not supplant funding provided
29 by local governments for school resource officers. If the total cost of
30 funding new grants for school resource officer costs is less than
31 \$50,000,000, the department may allocate the remaining monies to grants to
32 schools for the costs of placing school counselors and social workers on
33 school campuses pursuant section 15-154, Arizona Revised Statutes.

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

39 After review by the joint legislative budget committee, in fiscal
40 year 2022-2023, the department of education may use a portion of its
41 fiscal year 2022-2023 state general fund appropriations for basic state
42 aid, additional state aid or the special education fund to fund a
43 shortfall in funding for basic state aid, additional state aid or the
44 special education fund, if any, that occurred in fiscal year 2021-2022.

1 The department shall provide an updated report on its budget status
 2 every three months for the first half of each fiscal year and every month
 3 thereafter 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, the director of the joint
 6 legislative budget committee and the director of the governor's office of
 7 strategic planning and budgeting. Each report shall include, at a
 8 minimum, the department's current funding surplus or shortfall projections
 9 for basic state aid and other major formula-based programs and is due
 10 thirty days after the end of the applicable reporting period.

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

15 Notwithstanding section 15-901.03, Arizona Revised Statutes, the
 16 superintendent of public instruction may transfer \$5,000,000 from the
 17 state general fund appropriation for basic state aid for fiscal year
 18 2021-2022 to the results-based funding program for fiscal year 2021-2022
 19 without review by the joint legislative budget committee. Any amount
 20 transferred to the results-based funding program under this section that
 21 exceeds the amount needed to address a funding shortfall for the
 22 results-based funding program for fiscal year 2021-2022 reverts to the
 23 state general fund on June 30, 2022.

24 Sec. 32. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

25		<u>2022-23</u>
26	FTE positions	63.1
27	Administration	\$ 1,866,400
28	Emergency management	758,700
29	Military affairs	1,885,500
30	Emergency management matching funds	1,544,900
31	National guard matching funds	3,370,000
32	Onetime maintenance backfill	13,300,000
33	Federal government matching repayment	759,200
34	National guard tuition	
35	reimbursement	<u>1,000,000</u>
36	Total appropriation – department of	
37	emergency and military affairs	\$ 24,484,700
38	Fund sources:	
39	State general fund	\$ 24,484,700

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

6 The appropriated amount for the national guard tuition reimbursement
 7 line item is exempt from the provisions of section 35-190, Arizona Revised
 8 Statutes, relating to lapsing of appropriations, until September 30, 2023.
 9 Sec. 33. DEPARTMENT OF ENVIRONMENTAL QUALITY

	<u>2022-23</u>
11 FTE positions	355.7
12 Operating lump sum appropriation	\$ 60,312,100
13 Direct potable reuse of treated	
14 wastewater program	1,500,000
15 Safe drinking water program	1,814,300
16 Water quality fee fund deposit	6,400,000
17 Emissions control contractor	
18 payment	<u>26,219,500</u>
19 Total appropriation – department of	
20 environmental quality	\$ 96,245,900
21 Fund sources:	
22 State general fund	\$ 7,900,000
23 Air quality fund	5,382,800
24 Emergency response fund	528,300
25 Emissions inspection fund	30,293,600
26 Hazardous waste management fund	1,748,300
27 Indirect cost fund	19,683,300
28 Permit administration fund	7,166,500
29 Recycling fund	2,365,100
30 Safe drinking water program	
31 fund	1,814,300
32 Solid waste fee fund	2,373,000
33 Water quality fee fund	16,990,700

34 The department of environmental quality shall report annually on the
 35 progress of WQARF activities, including emergency response, priority site
 36 remediation, cost recovery activity, revenue and expenditure activity and
 37 other WQARF-funded program activity. The department shall submit the
 38 fiscal year 2022-2023 report to the joint legislative budget committee on
 39 or before September 1, 2022. This report shall also include a budget for
 40 the WQARF program that is developed in consultation with the WQARF
 41 advisory board. This budget shall specify the monies budgeted for each
 42 listed site during fiscal year 2022-2023. In addition, the department and
 43 the WQARF advisory board shall prepare and submit to the joint legislative
 44 budget committee, on or before October 1, 2022, a report in a table format
 45 summarizing the current progress on remediation of each listed site on the

1 WQARF registry. The table shall include the stage of remediation for each
 2 site at the end of fiscal year 2021-2022, indicate whether the current
 3 stage of remediation is anticipated to be completed in fiscal year
 4 2022-2023 and indicate the anticipated stage of remediation at each listed
 5 site at the end of fiscal year 2022-2023, assuming fiscal year 2022-2023
 6 funding levels. The department and the WQARF advisory board may include
 7 other relevant information about the listed sites in the table.

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

14 All monies in the department of environmental quality indirect cost
 15 fund, including the beginning balance, that are in excess of \$19,683,300
 16 in fiscal year 2022-2023 are appropriated to the department. Before
 17 spending indirect cost fund monies in excess of \$19,683,300 in fiscal year
 18 2022-2023, the department shall report the intended use of the monies to
 19 the joint legislative budget committee.

20 The department of environmental quality shall establish an
 21 interagency service agreement with the Arizona department of forestry and
 22 fire management to transfer \$1,000,000 from the recycling fund established
 23 by section 49-837, Arizona Revised Statutes, to the Arizona department of
 24 forestry and fire management to administer grants for the purpose of
 25 recovering and processing biomass waste.

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

27			<u>2022-23</u>
28	FTE positions		4.0
29	Lump sum appropriation	\$	191,300
30	Fund sources:		
31	Personnel division fund	\$	191,300

32 Sec. 35. STATE BOARD OF EQUALIZATION

33			<u>2022-23</u>
34	FTE positions		7.0
35	Lump sum appropriation	\$	738,900
36	Fund sources:		
37	State general fund	\$	738,900

38 Sec. 36. BOARD OF EXECUTIVE CLEMENCY

39			<u>2022-23</u>
40	FTE positions		14.5
41	Lump sum appropriation	\$	1,185,700
42	Fund sources:		
43	State general fund	\$	1,185,700

44 On or before November 1, 2022, the board of executive clemency shall
 45 report to the directors of the joint legislative budget committee and the

1 governor's office of strategic planning and budgeting the total number and
 2 types of cases the board reviewed in fiscal year 2021-2022.

3 Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

4		<u>2022-23</u>
5	FTE positions	184.0
6	Lump sum appropriation	\$ 18,297,500
7	Fund sources:	
8	Arizona exposition and state	
9	fair fund	\$ 18,297,500

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

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

16		<u>2022-23</u>
17	FTE positions	235.5
18	Operating lump sum appropriation	\$ 3,393,800
19	Environmental county grants	250,000
20	Gila River nonnative species	
21	eradication	5,000,000
22	Inmate firefighting crews	784,400
23	Postrelease firefighting crews	1,151,000
24	Fire suppression	200,000
25	Mount Lemmon fire district renovation	2,230,900
26	State fire marshal	1,865,100
27	State fire school	279,700
28	Hazardous vegetation removal	3,000,000
29	US forest service land thinning	2,150,900
30	Wildfire emergency response	65,000,000
31	Wildfire mitigation	<u>38,837,300</u>
32	Total appropriation – Arizona department	
33	of forestry and fire management	\$124,143,100
34	Fund sources:	
35	State general fund	\$124,143,100

1 The monies in the Gila River nonnative species eradication line item
2 are for nonnative vegetation species eradication projects, including
3 projects to replace nonnative vegetation species with native vegetation
4 species and restoring habitat for wildlife, in and along the portion of
5 the Gila River between the western boundary of the city of Avondale and
6 the bridge over the Gila River at State Route 85. The Arizona department
7 of forestry and fire management shall serve as the fiscal agent and
8 contractor for the projects described in this paragraph. The department
9 may subcontract for the eradication and other required services for the
10 projects pursuant to title 34, chapter 6, article 1, Arizona Revised
11 Statutes, to expedite the projects.

12 On or before September 1, 2023, September 1, 2024 and September 1,
13 2025, the department shall report to the director of the joint legislative
14 budget committee on the expected amount and purpose of expenditures from
15 the Gila River nonnative species eradication line item. The report shall
16 include projected line item detail. The reports shall also provide
17 follow-up on areas previously treated with funding from the line item and
18 whether the nonnative species have returned.

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

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

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

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

37 Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

38		<u>2022-23</u>
39	FTE positions	4.0
40	Lump sum appropriation	\$ 438,100
41	Fund sources:	
42	Board of funeral directors' and	
43	embalmers' fund	\$ 438,100

1	Sec. 40. ARIZONA GAME AND FISH DEPARTMENT	
2		<u>2022-23</u>
3	FTE positions	273.5
4	Operating lump sum appropriation	\$45,224,100
5	Pittman-Robertson/Dingell-Johnson	
6	act	<u>3,058,000</u>
7	Total appropriation – Arizona game and fish	
8	department	\$48,282,100
9	Fund sources:	
10	Capital improvement fund	\$ 1,001,200
11	Game and fish fund	41,951,900
12	Wildlife endowment fund	16,200
13	Watercraft licensing fund	4,955,200
14	Game, nongame, fish and	
15	endangered species fund	357,600
16	Sec. 41. DEPARTMENT OF GAMING	
17		<u>2022-23</u>
18	FTE positions	155.8
19	Operating lump sum appropriation	\$ 9,973,100
20	Additional operating expenses	3,761,900
21	Arizona breeders' award	250,000
22	Casino operations certification	2,104,900
23	County fairs livestock and	
24	agriculture promotion	6,029,500
25	Division of racing	2,261,100
26	Contract veterinarian	175,000
27	Horseracing integrity and safety	
28	act assessment	355,100
29	Racing purse enhancement	5,000,000
30	Racetrack purse and maintenance	
31	and operations funding	5,396,900
32	Problem gambling	<u>3,320,000</u>
33	Total appropriation – department of gaming	\$ 38,627,500
34	Fund sources:	
35	State general fund	\$ 16,956,500
36	Fantasy sports contest fund	145,000
37	Tribal-state compact fund	2,104,900
38	Arizona benefits fund	16,610,000
39	State lottery fund	300,000
40	Racing regulation fund	2,411,500
41	Racing regulation fund – unarmed	
42	combat subaccount	99,600

1 On or before October 1, 2022, the department of gaming shall report
2 to the directors of the joint legislative budget committee and the
3 governor's office of strategic planning and budgeting on the expected
4 amount and purpose of expenditures from the additional operating expenses
5 line item for fiscal year 2022-2023. The report shall include the
6 projected line item detail.

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

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

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

23 1. \$4,231,800 to a commercial live racing permittee located in
24 Maricopa county.

25 2. \$815,600 to a commercial live racing permittee located in
26 Yavapai county.

27 3. \$349,500 to a commercial live racing permittee located in Pima
28 county.

29 On or before August 1, 2022, the department of gaming shall report
30 to the directors of the joint legislative budget committee and the
31 governor's office of strategic planning and budgeting on the expected
32 amount and purpose of expenditures from the event wagering fund
33 established by section 5-1318, Arizona Revised Statutes, for fiscal year
34 2022-2023. The report shall include the projected line item detail and
35 the number of filled full-time equivalent positions.

36 On or before the final day of each quarter of fiscal year 2022-2023,
37 the department of gaming shall report to the members of the joint
38 legislative budget committee on the number of equine deaths and injuries
39 that occurred as a result of a horse race and the commercial live racing
40 facility where each incident occurred. The report shall include the number
41 of pre-race inspections performed by a veterinarian employed by or
42 contracted with this state.

1 The amount appropriated to the horseracing integrity and safety act
 2 assessment line item shall be distributed to commercial live racing
 3 permittees during fiscal year 2022-2023 to pay the calendar year 2022
 4 assessment levied by the horseracing integrity and safety authority. If
 5 the appropriated amount for the horseracing integrity act assessment line
 6 item is insufficient to fund all assessments levied by the horseracing
 7 integrity and safety authority, the department shall reduce the
 8 distribution amounts on a proportional basis in order to cap total
 9 statewide distributions at \$355,100. The distributions for fiscal year
 10 2022-2023 are estimated to be \$309,300 to a commercial live racing
 11 permittee located in Maricopa county and \$45,800 to a commercial live
 12 racing permittee located in Yavapai county.

13 Sec. 42. OFFICE OF THE GOVERNOR

	<u>2022-23</u>
14 Operating lump sum appropriation	\$ 7,313,600*
15 Foster youth education success	
16 fund deposit	<u>1,500,000</u>
17 Total appropriation – office of the governor	\$ 8,813,600

18 Fund sources:

19 State general fund	\$ 8,813,600
20 Included in the lump sum appropriation of \$7,313,600 for fiscal year 21 2022-2023 is \$10,000 for the purchase of mementos and items for visiting 22 officials.	

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

	<u>2022-23</u>
24 FTE positions	22.0
25 Lump sum appropriation	\$ 2,688,700*

26 Fund sources:

27 State general fund	\$ 2,688,700
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28 Sec. 44. DEPARTMENT OF HEALTH SERVICES

	<u>2022-23</u>
29 FTE positions	1,141.5
30 Operating lump sum appropriation	\$ 55,756,200
31 <u>Public health/family health</u>	
32 Accelerated nursing programs	50,000,000
33 Adult cystic fibrosis care	105,200
34 AIDS reporting and surveillance	1,000,000
35 Alzheimer's disease research	3,625,000
36 Behavioral health care provider	
37 loan repayment program	2,000,000
38 Biomedical research support	2,000,000
39 Breast and cervical cancer and	
40 bone density screening	1,369,400

1	County tuberculosis provider	
2	care and control	590,700
3	Family health pilot program	3,000,000
4	Folic acid program	400,000
5	High-risk perinatal services	2,343,400
6	Homeless pregnant women services	500,000
7	Newborn screening program	12,132,300
8	Nonrenal disease management	198,000
9	Arizona nurse education investment	
10	pilot program	15,000,000
11	Nursing care special projects	200,000
12	Poison control centers funding	990,000
13	Preceptor grant program for graduate	
14	students	500,000
15	Renal dental care and nutrition	
16	supplements	300,000
17	Renal transplant drugs	183,000
18	<u>Arizona state hospital</u>	
19	Arizona state hospital –	
20	operating	79,182,500
21	Arizona state hospital –	
22	restoration to competency	900,000
23	Arizona state hospital –	
24	sexually violent persons	<u>9,736,100</u>
25	Total appropriation – department of	
26	health services	\$242,011,800
27	Fund sources:	
28	State general fund	\$ 187,018,600
29	Arizona state hospital fund	3,145,700
30	Arizona state hospital land fund	650,000
31	Child fatality review fund	196,500
32	Disease control research fund	1,000,000
33	DHS indirect cost fund	11,436,800
34	Emergency medical services	
35	operating fund	3,831,300
36	Environmental laboratory licensure	
37	revolving fund	933,300
38	Federal child care and development	
39	fund block grant	884,100
40	Health services licensing fund	15,570,600
41	Health services lottery monies fund	200,000
42	Newborn screening program fund	12,565,100
43	Nursing care institution resident	
44	protection revolving fund	238,200

1	Tobacco tax and health care	
2	fund – medically needy account	700,000
3	Vital records electronic systems	
4	fund	3,641,600

5 Public health/family health

6 The amount appropriated to the department of health services for
7 accelerated nursing programs is exempt from the provisions of section
8 35-190, Arizona Revised Statutes, relating to the lapsing of
9 appropriations. Any monies remaining unexpended on July 1, 2024 revert to
10 the state general fund.

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

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

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

36 1. Experience in marketing and serving the eligible patient
37 population.

38 2. That the organization can begin serving clients statewide within
39 sixty days after receiving monies pursuant to this section.

40 When determining which nonprofit organizations will participate in
41 the family health pilot program, the department shall give preference to
42 nonprofit organizations that are working and providing services in this
43 state.

1 Each nonprofit organization that participates in the family health
2 pilot program shall submit to the department of health services on a form
3 prescribed by the department a quarterly report of the services and
4 referrals the nonprofit organization provides, including all of the
5 following information:

6 1. The number of clients served, either by referral or direct
7 services.

8 2. The number of direct services provided and referrals made.

9 3. The number of women referred for medical services or medical
10 care.

11 4. The number of women who received prenatal care.

12 5. The number of women who were referred for prenatal care.

13 6. The number of women who received nutrition services.

14 7. The number of women who were referred for nutrition services.

15 8. The number of individuals who received adoption services.

16 9. The number of individuals who were referred for adoption
17 services.

18 10. The number of individuals who received educational and
19 employment services.

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

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

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

44 1. Is headquartered in this state.

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

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

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

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

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

20 Of the amount appropriated for the department of health services
21 operating lump sum in fiscal year 2021-2022, \$1,000,000 from the state
22 general fund is exempt from the provisions of section 35-190, Arizona
23 Revised Statutes, relating to the lapsing of appropriations, until June
24 30, 2023 for the purpose of vital records electronic system upgrades.

25 Arizona state hospital

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

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

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

13 Sec. 45. ARIZONA HISTORICAL SOCIETY

	<u>2022-23</u>
14 FTE positions	50.9
15 Operating lump sum appropriation	\$ 2,334,600
16 Field services and grants	62,500
17 Papago park museum	<u>508,900</u>
18 Total appropriation – Arizona historical	
19 society	\$ 2,906,000
20 Fund sources:	
21 State general fund	\$ 2,906,000

22 Sec. 46. PRESCOTT HISTORICAL SOCIETY

	<u>2022-23</u>
23 FTE positions	13.0
24 Lump sum appropriation	\$ 900,600
25 Fund sources:	
26 State general fund	\$ 900,600

27 Sec. 47. ARIZONA DEPARTMENT OF HOMELAND SECURITY

	<u>2022-23</u>
28 FTE positions	20.0
29 Statewide information security	
30 and privacy operations and	
31 controls	\$ 11,757,200
32 Cybersecurity software	2,000,000
33 Statewide cybersecurity grants	<u>10,000,000</u>
34 Total appropriation – Arizona department of	
35 homeland security	\$ 23,757,200
36 Fund sources:	
37 State general fund	\$ 12,000,000
38 Information technology fund	11,757,200

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

1 The department shall use the amount appropriated in the
 2 cybersecurity software line item to procure and implement, through a
 3 competitive bidding process, an enterprise license for use by agencies of
 4 this state for security software that will integrate security into the
 5 development process and scan software code in development, production and
 6 postproduction to detect and improve security threats by using at least
 7 two of the following testing mechanisms:

- 8 1. Static analysis security testing.
- 9 2. Dynamic testing.
- 10 3. Penetration testing.
- 11 4. Software composition analysis.

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

13		<u>2022-23</u>
14	FTE positions	1.0
15	Lump sum appropriation	\$ 48,400
16	Fund sources:	
17	Board of homeopathic and	
18	integrated medicine	
19	examiners' fund	\$ 48,400

20 Sec. 49. ARIZONA DEPARTMENT OF HOUSING

21		<u>2022-23</u>
22	FTE positions	3.0
23	Operating lump sum appropriation	\$ 322,700
24	Housing trust fund deposit	60,000,000
25	Homeless services grant pilot	<u>10,000,000</u>
26	Total appropriation – Arizona department	
27	of housing	\$ 70,322,700
28	Fund sources:	
29	State general fund	\$ 70,000,000
30	Housing trust fund	322,700

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

37 The Arizona department of housing shall use the monies appropriated
 38 for the homeless services grant pilot to establish a grant program for
 39 cities, towns and counties in this state for homeless services programs
 40 designed to reduce homelessness. Eligible programs must allow homeless
 41 individuals to be compensated for daily work, offer a daily remuneration
 42 rate and help participants to access support services. Participating
 43 cities, towns and counties must provide a dollar-for-dollar local match
 44 for each grant dollar received. The department shall prioritize awarding

1 grants to cities, towns and counties that have an established program that
 2 meets the grant requirements.

3 Sec. 50. INDUSTRIAL COMMISSION OF ARIZONA

4		<u>2022-23</u>
5	FTE positions	236.6
6	Operating lump sum appropriation	\$ 20,122,000
7	Municipal firefighter reimbursement	
8	administration	<u>80,000</u>
9	Total appropriation – industrial commission	
10	of Arizona	\$ 20,202,000
11	Fund sources:	
12	State general fund	\$ 80,000
13	Administrative fund	20,122,000

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

19 Sec. 51. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

20		<u>2022-23</u>
21	FTE positions	152.4
22	Operating lump sum appropriation	\$ 10,640,800
23	Arizona vehicle theft task force	4,343,500
24	Automobile theft authority	
25	operating budget	659,300
26	Information technology upgrades	700,000
27	Insurance fraud unit	1,800,500
28	Local grants	957,700
29	Reimbursable programs	<u>50,000</u>
30	Total appropriation – department of insurance	
31	and financial institutions	\$ 19,151,800
32	Fund sources:	
33	State general fund	\$ 7,663,400
34	Automobile theft authority fund	6,010,500
35	Financial services fund	5,427,600
36	Department revolving fund	50,300

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

42 Local grants shall be awarded with consideration given to areas with
 43 greater automobile theft problems and shall be used to combat economic
 44 automobile theft operations.

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

5 Of the department fees required to be deposited in the state general
 6 fund by statute, the legislature intends that the department of insurance
 7 and financial institutions shall assess and set the fees at a level to
 8 ensure that the monies deposited in the state general fund will equal or
 9 exceed the department's expenditure from the state general fund.

10 Sec. 52. ARIZONA JUDICIARY

	<u>2022-23</u>
11 <u>Supreme court</u>	
12 FTE positions	202.0
13 Operating lump sum appropriation	\$ 15,992,100
14 Arizona trial and digital	
15 evidence fund deposit	1,620,000
16 Automation	22,738,300
17 County reimbursements	187,900
18 Court appointed special advocate	4,946,300
19 Courthouse security	750,000
20 Domestic relations	646,500
21 State foster care review board	3,283,000
22 Commission on judicial conduct	524,400
23 Judicial nominations and	
24 performance review	543,900
25 Model court	659,700
26 State aid	<u>5,679,000</u>
27 Total appropriation – supreme court	\$ 57,571,100
28 Fund sources:	
29 State general fund	\$ 25,267,300
30 Confidential intermediary and	
31 fiduciary fund	494,300
32 Court appointed special advocate	
33 fund	5,327,000
34 Criminal justice enhancement fund	4,407,800
35 Defensive driving school fund	4,233,500
36 Judicial collection enhancement	
37 fund	14,895,800
38 State aid to the courts fund	2,945,400

39 On or before September 1, 2022, the supreme court shall report to
 40 the joint legislative budget committee and the governor's office of
 41 strategic planning and budgeting on current and future automation projects
 42 coordinated by the administrative office of the courts. The report shall
 43 include a list of court automation projects that receive or are
 44 anticipated to receive state monies in the current or next two fiscal
 45

1 years as well as a description of each project, the number of FTE
 2 positions, the entities involved and the goals and anticipated results for
 3 each automation project. The report shall be submitted in one summary
 4 document. The report shall indicate each project's total multiyear cost
 5 by fund source and budget line item, including any prior-year,
 6 current-year and future-year expenditures.

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

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

14 Of the \$187,900 appropriated for county reimbursements, state grand
 15 jury is limited to \$97,900 and capital postconviction relief is limited to
 16 \$90,000.

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

22 Court of appeals

23	FTE positions	162.8
24	Division one	\$ 13,656,300
25	Division two	<u>6,909,700</u>
26	Total appropriation – court of appeals	\$ 20,566,000

27 Fund sources:

28	State general fund	\$ 20,566,000
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29 Of the 162.8 FTE positions for fiscal year 2022-2023, 111.3 FTE
 30 positions are for division one and 51.5 FTE positions are for division
 31 two.

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

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

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

44 The operating lump sum for division two includes \$175,800 for a pay
 45 increase for court of appeals judges. Pursuant to section 41-1904, Arizona

1 Revised Statutes, as of January 1, 2023, the annual salary for a court of
 2 appeals judge is \$190,000.

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

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

11 Superior court

12	FTE positions	238.5
13	Operating lump sum appropriation	\$ 4,954,600
14	Judges' compensation	24,962,600
15	Centralized service payments	4,135,000
16	Adult standard probation	22,297,600
17	Adult intensive probation	13,150,200
18	Community punishment	2,310,300
19	Court-ordered removals	315,000
20	Interstate compact	513,700
21	Drug court	1,096,300
22	General adjudication personnel	
23	and support fund deposit	2,000,000
24	Juvenile standard probation	3,781,800
25	Juvenile intensive probation	6,087,200
26	Juvenile treatment services	20,803,000
27	Juvenile family counseling	500,000
28	Juvenile crime reduction	3,313,500
29	Juvenile diversion consequences	9,088,500
30	Probation incentive payments	1,000,000
31	Special water master	<u>497,200</u>
32	Total appropriation – superior court	\$120,806,500

33 Fund sources:

34	State general fund	\$108,830,900
35	Criminal justice enhancement fund	5,456,200
36	Drug treatment and education fund	504,200
37	Judicial collection enhancement	
38	fund	6,015,200

39 Operating budget

40 All expenditures made by the administrative office of the courts to
 41 administer superior court line items shall be funded only from the
 42 superior court operating budget. Monies in superior court line items
 43 intended for this purpose shall be transferred to the superior court
 44 operating budget before expenditure.

1 Judges

2 Of the 238.5 FTE positions, 180 FTE positions represent superior
3 court judges. This FTE position clarification does not limit the
4 counties' ability to add judges pursuant to section 12-121, Arizona
5 Revised Statutes.

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

13 The judges' compensation line item includes \$1,136,100 for a pay
14 increase for superior court judges. Pursuant to section 41-1904, Arizona
15 Revised Statutes, as of January 1, 2023, the annual salary for a superior
16 court judge is \$164,700. As of January 1, 2024, the annual salary is
17 \$180,000.

18 Probation

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

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

26 On or before November 1, 2022, the administrative office of the
27 courts shall report to the joint legislative budget committee and the
28 governor's office of strategic planning and budgeting the fiscal year
29 2021-2022 actual, fiscal year 2022-2023 estimated and fiscal year
30 2023-2024 requested amounts for each of the following:

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

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

41 All centralized service payments made by the administrative office
42 of the courts on behalf of counties shall be funded only from the
43 centralized service payments line item. Centralized service payments
44 include only training, motor vehicle payments, CORP review board funding,
45 LEARN funding, research, operational reviews and GPS vendor payments.

1 This footnote does not apply to treatment or counseling services payments
2 made from the juvenile treatment services and juvenile diversion
3 consequences line items. Monies in the operating lump sum appropriation
4 or other line items intended for centralized service payments shall be
5 transferred to the centralized service payments line item before
6 expenditure.

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

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

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

29 The amounts appropriated in the adult standard probation, adult
30 intensive probation, interstate compact, drug court, juvenile standard
31 probation, juvenile intensive probation, juvenile treatment services and
32 juvenile diversion consequences line items in fiscal year 2022-2023
33 include an increase of \$1,227,300 to cover the state's share of a 2.5
34 percent probation officer salary increase. If the counties approve
35 probation officer step or inflation salary increases in fiscal year
36 2022-2023 that increase the state's share above the amount appropriated,
37 the legislature intends that the counties absorb any additional cost to
38 this state in fiscal year 2022-2023 and subsequent years.

39 The \$187,500 appropriated in the probation officer vehicles line
40 item pursuant to laws 2021, chapter 408, section 51 is exempt from the
41 provisions of section 35-190, Arizona Revised Statutes, relating to the
42 lapsing of appropriations, until June 30, 2023 for the purchase of six
43 vehicles for adult intensive probation officers.

1	Sec. 53. DEPARTMENT OF JUVENILE CORRECTIONS	
2		<u>2022-23</u>
3	FTE positions	738.5
4	Lump sum appropriation	\$ 45,618,500
5	Fund sources:	
6	State general fund	\$ 30,696,600
7	State charitable, penal and	
8	reformatory institutions	
9	land fund	4,044,100
10	Criminal justice enhancement fund	533,200
11	State education fund for committed	
12	youth	1,893,700
13	Department of juvenile corrections	
14	local cost sharing fund	8,450,900
15	Twenty-five percent of land earnings and interest from the state	
16	charitable, penal and reformatory institutions land fund shall be	
17	distributed to the department of juvenile corrections, in compliance with	
18	section 25 of the enabling act and the Constitution of Arizona, to be used	
19	to support state juvenile institutions and reformatories.	
20	Sec. 54. STATE LAND DEPARTMENT	
21		<u>2022-23</u>
22	FTE positions	131.7
23	Operating lump sum appropriation	\$ 17,758,800
24	Natural resource conservation	
25	districts	650,000
26	CAP user fees	1,700,000
27	Due diligence fund deposit	1,500,000
28	Due diligence program	5,000,000
29	Streambed navigability litigation	<u>220,000</u>
30	Total appropriation – state land department	\$ 26,828,800
31	Fund sources:	
32	State general fund	\$ 13,540,100
33	Environmental special plate fund	260,600
34	Due diligence fund	5,000,000
35	Trust land management fund	8,028,100
36	The appropriation includes \$1,700,000 for CAP user fees in fiscal	
37	year 2022-2023. For fiscal year 2022-2023, from municipalities that	
38	assume their allocation of central Arizona project water for every dollar	
39	received as reimbursement to this state for past central Arizona water	
40	conservation district payments, \$1 reverts to the state general fund in	
41	the year that the reimbursement is collected.	
42	Of the amount appropriated for natural resource conservation	
43	districts in fiscal year 2022-2023, \$30,000 shall be used to provide	
44	grants to natural resource conservation districts environmental education	
45	centers.	

1 Sec. 55. LEGISLATURE

2 2022-23

3 Senate

4 Lump sum appropriation \$ 22,145,000*

5 Fund sources:

6 State general fund \$ 22,145,000

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

10 House of representatives

11 Lump sum appropriation \$ 25,385,800*

12 Fund sources:

13 State general fund \$ 25,385,800

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

17 Legislative council

18 FTE positions 56.0

19 Lump sum appropriation \$ 8,975,000*

20 Fund sources:

21 State general fund \$ 8,975,000

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

24 Included in the lump sum appropriation of \$8,975,000 for fiscal year
25 2022-2023 is \$50,000 for planning and operational costs for this state's
26 participation in an Article V convention. These monies may be spent on
27 the joint authorization of the president of the senate and the speaker of
28 the house of representatives.

29 Ombudsman-citizens aide office

30 FTE positions 12.0

31 Lump sum appropriation \$ 1,390,400*

32 Fund sources:

33 State general fund \$ 1,390,400

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

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

41 Joint legislative budget committee

42 FTE positions 29.0

43 Lump sum appropriation \$ 2,841,900*

44 Fund sources:

45 State general fund \$ 2,841,900

1	<u>Auditor general</u>	
2	FTE positions	224.8
3	Operating lump sum appropriation	\$ 23,808,500
4	Adult protective services audit	<u>300,000</u>
5	Total appropriation – auditor general	\$ 24,108,500*
6	Fund sources:	
7	State general fund	\$ 24,108,500

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

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

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

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

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

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

29 The auditor general shall consider, in its decision to enter into a
30 contract with an independent consultant, the consultant's history of
31 working with states or counties in evaluating its operations for adult
32 protective services, the satisfaction of the states or counties with the
33 work of the consultant, the knowledge of the consultant's staff or
34 contractors in adult protective services reform and operations, the
35 consultant's knowledge of related laws governing adult protective services
36 and the consultant's knowledge of evidence-based and promising best
37 practices in adult protective services. On or before October 1, 2023, the
38 consultant shall submit a report of its work, including findings and
39 recommendations, to the governor, the president of the senate, the speaker
40 of the house of representatives and the chairperson of the house ad hoc
41 committee on abuse and neglect of vulnerable adults and shall provide a
42 copy of its report to the secretary of state.

1	Sec. 56. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
2		<u>2022-23</u>
3	FTE positions	51.2
4	Lump sum appropriation	\$ 6,342,800
5	Fund sources:	
6	Liquor licenses fund	\$ 6,342,800
7	Sec. 57. ARIZONA STATE LOTTERY COMMISSION	
8		<u>2022-23</u>
9	FTE positions	98.8
10	Operating lump sum appropriation	\$ 9,657,700
11	Advertising	<u>15,500,000</u>
12	Total appropriation – Arizona state	
13	lottery commission	\$ 25,157,700
14	Fund sources:	
15	State lottery fund	\$ 25,157,700
16	An amount equal to twenty percent of tab ticket sales is	
17	appropriated to pay sales commissions to charitable organizations. This	
18	amount is currently estimated to be \$1,560,000 in fiscal year 2022-2023.	
19	An amount equal to 3.6 percent of actual instant ticket sales is	
20	appropriated to print instant tickets or to pay contractual obligations	
21	concerning instant ticket distribution. This amount is currently	
22	estimated to be \$38,680,100 in fiscal year 2022-2023.	
23	An amount equal to a percentage of actual online game sales as	
24	determined by contract is appropriated to pay online vendor fees. This	
25	amount is currently estimated to be \$12,659,000, or 4.256 percent of	
26	actual online ticket sales, in fiscal year 2022-2023.	
27	An amount equal to 6.5 percent of gross lottery game sales, minus	
28	charitable tab tickets, is appropriated to pay sales commissions to ticket	
29	retailers. An additional amount not to exceed 0.5 percent of gross	
30	lottery game sales is appropriated to pay sales commissions to ticket	
31	retailers. The combined amount is currently estimated to be 6.7 percent	
32	of total ticket sales, or \$91,393,900 in fiscal year 2022-2023.	
33	Sec. 58. BOARD OF MASSAGE THERAPY	
34		<u>2022-23</u>
35	FTE positions	5.0
36	Lump sum appropriation	\$ 553,900
37	Fund sources:	
38	Board of massage therapy fund	\$ 553,900
39	Sec. 59. ARIZONA MEDICAL BOARD	
40		<u>2022-23</u>
41	FTE positions	61.5
42	Operating lump sum appropriation	\$ 7,515,100
43	Employee performance incentive	
44	program	<u>165,600</u>

1	Total appropriation – Arizona medical	
2	board	\$ 7,680,700
3	Fund sources:	
4	Arizona medical board fund	\$ 7,680,700
5	Sec. 60. STATE MINE INSPECTOR	
6		<u>2022-23</u>
7	FTE positions	22.0
8	Operating lump sum appropriation	\$ 1,294,600
9	Abandoned mines	1,316,700
10	Aggregate mining land reclamation	<u>181,800</u>
11	Total appropriation – state mine inspector	\$ 2,793,100
12	Fund sources:	
13	State general fund	\$ 2,680,200
14	Aggregate mining reclamation fund	112,900
15	All aggregate mining reclamation fund monies received by the state	
16	mine inspector in excess of \$112,900 in fiscal year 2022-2023 are	
17	appropriated to the aggregate mining land reclamation line item. Before	
18	spending any aggregate mining reclamation fund monies in excess of	
19	\$112,900 in fiscal year 2022-2023, the state mine inspector shall report	
20	the intended use of the monies to the joint legislative budget committee	
21	and the governor's office of strategic planning and budgeting.	
22	Sec. 61. NATUROPATHIC PHYSICIANS MEDICAL BOARD	
23		<u>2022-23</u>
24	FTE positions	2.0
25	Lump sum appropriation	\$ 198,400
26	Fund sources:	
27	Naturopathic physicians medical	
28	board fund	\$ 198,400
29	Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION	
30		<u>2022-23</u>
31	FTE positions	2.0
32	Lump sum appropriation	\$ 329,300
33	Fund sources:	
34	State general fund	\$ 129,300
35	Arizona water banking fund	200,000
36	Sec. 63. ARIZONA STATE BOARD OF NURSING	
37		<u>2022-23</u>
38	FTE positions	52.0
39	Operating lump sum appropriation	\$ 4,743,400
40	Certified nursing assistant	
41	credentialing program	<u>538,400</u>
42	Total appropriation – Arizona state	
43	board of nursing	\$ 5,281,800
44	Fund sources:	
45	Board of nursing fund	\$ 5,281,800

1	Sec. 64.	BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS		
2		AND ASSISTED LIVING FACILITY MANAGERS		
3				<u>2022-23</u>
4		FTE positions		7.0
5		Lump sum appropriation	\$	571,200
6		Fund sources:		
7		Nursing care institution		
8		administrators' licensing and		
9		assisted living facility		
10		managers' certification fund	\$	571,200
11	Sec. 65.	BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
12				<u>2022-23</u>
13		FTE positions		1.5
14		Lump sum appropriation	\$	245,300
15		Fund sources:		
16		Occupational therapy fund	\$	245,300
17	Sec. 66.	STATE BOARD OF DISPENSING OPTICIANS		
18				<u>2022-23</u>
19		FTE positions		1.0
20		Lump sum appropriation	\$	178,900
21		Fund sources:		
22		Board of dispensing opticians fund	\$	178,900
23	Sec. 67.	STATE BOARD OF OPTOMETRY		
24				<u>2022-23</u>
25		FTE positions		2.0
26		Lump sum appropriation	\$	275,500
27		Fund sources:		
28		Board of optometry fund	\$	275,500
29	Sec. 68.	ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
30				<u>2022-23</u>
31		FTE positions		10.0
32		Lump sum appropriation	\$	1,293,700
33		Fund sources:		
34		Arizona board of osteopathic		
35		examiners in medicine		
36		and surgery fund	\$	1,293,700
37	Sec. 69.	ARIZONA STATE PARKS BOARD		
38				<u>2022-23</u>
39		FTE positions		163.0
40		Operating lump sum appropriation	\$	14,590,600
41		Arizona state parks heritage		
42		fund deposit		2,500,000
43		Arizona trail		250,000
44		State parks store		1,000,000
45		State lake improvement fund deposit		4,000,000

1	Kartchner caverns state park	<u>2,354,500</u>
2	Total appropriation – Arizona state parks	
3	board	\$ 24,695,100
4	Fund sources:	
5	State general fund	\$ 6,500,000
6	State parks revenue fund	17,178,400
7	State parks store fund	1,000,000
8	Off-highway vehicle recreation fund	16,700

9 In addition to the operating lump sum appropriation, an amount equal
 10 to the revenue share agreement with the United States forest service for
 11 Fool Hollow Lake recreation area is appropriated to the Arizona state
 12 parks board from the state parks revenue fund established by section
 13 41-511.21, Arizona Revised Statutes.

14 The Arizona state parks board may distribute the monies in the
 15 Arizona state parks heritage fund deposit line item to grantees for local,
 16 regional and state historic preservation projects, local, regional and
 17 state nonmotorized trails and outdoor and environmental education.

18 The Arizona state parks board shall manage the monies in the Arizona
 19 trail line item but may distribute the monies to a nonprofit entity.

20 Sec. 70. STATE PERSONNEL BOARD

21		<u>2022-23</u>
22	FTE positions	2.0
23	Lump sum appropriation	\$ 326,400
24	Fund sources:	
25	Personnel division fund –	
26	personnel board subaccount	\$ 326,400

27 Sec. 71. ARIZONA STATE BOARD OF PHARMACY

28		<u>2022-23</u>
29	FTE positions	25.4
30	Operating lump sum appropriation	\$ 3,224,400
31	Prescriber report card	<u>50,000</u>

32 Total appropriation – Arizona state
 33 board of pharmacy \$ 3,274,400

34 Fund sources:
 35 Arizona state board of pharmacy
 36 fund \$ 3,274,400

37 Sec. 72. BOARD OF PHYSICAL THERAPY

38		<u>2022-23</u>
39	FTE positions	4.0
40	Lump sum appropriation	\$ 592,100
41	Fund sources:	
42	Board of physical therapy fund	\$ 592,100

43 Sec. 73. ARIZONA PIONEERS' HOME

44		<u>2022-23</u>
45	FTE positions	107.3

1	Lump sum appropriation	\$ 7,138,300
2	Fund sources:	
3	Miners' hospital for miners with	
4	disabilities land fund	\$ 2,074,100
5	State charitable fund	5,064,200
6	Earnings on state lands and interest on the investment of the	
7	permanent land funds are appropriated for the Arizona pioneers' home and	
8	the state hospital for miners with disabilities in compliance with the	
9	enabling act and the Constitution of Arizona.	
10	Sec. 74. STATE BOARD OF PODIATRY EXAMINERS	
11		<u>2022-23</u>
12	FTE positions	1.0
13	Lump sum appropriation	\$ 172,700
14	Fund sources:	
15	Podiatry fund	\$ 172,700
16	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
17		<u>2022-23</u>
18	FTE positions	4.0
19	Lump sum appropriation	\$ 416,000
20	Fund sources:	
21	Board for private postsecondary	
22	education fund	\$ 416,000
23	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
24		<u>2022-23</u>
25	FTE positions	4.5
26	Lump sum appropriation	\$ 596,000
27	Fund sources:	
28	Board of psychologist examiners	
29	fund	\$ 596,000
30	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
31		<u>2022-23</u>
32	FTE positions	2,074.2
33	Operating lump sum appropriation	\$327,408,500
34	ACTIC	1,450,000
35	AZPOST	6,576,000
36	Border strike task force ongoing	18,057,600
37	Border strike task force	
38	local support	12,232,900
39	Civil air patrol infrastructure	5,000,000*
40	Civil air patrol maintenance and	
41	operations	150,000
42	Commercial vehicle enforcement	
43	consolidation	978,400
44	GIITEM	28,311,100
45	GIITEM subaccount	2,396,400

1	Major incident division	10,000,000*
2	Motor vehicle fuel	5,454,600
3	Onetime vehicle bumper tethers	1,800,000
4	Onetime helicopter replacement	13,459,600
5	Onetime K-9 support	1,900,000
6	Onetime vehicle replacement	11,709,300
7	Pharmaceutical diversion and	
8	drug theft task force	693,800
9	Public safety equipment	<u>2,890,000</u>
10	Total appropriation – department of public	
11	safety	\$450,468,200
12	Fund sources:	
13	State general fund	\$373,053,700
14	State highway fund	8,167,000
15	Arizona highway patrol fund	27,004,300
16	Criminal justice enhancement fund	2,931,500
17	Department of public safety	
18	forensics fund	22,528,600
19	Gang and immigration intelligence	
20	team enforcement mission border	
21	security and law enforcement	
22	subaccount	2,396,400
23	Motorcycle safety fund	198,900
24	Motor vehicle liability insurance	
25	enforcement fund	1,254,100
26	Risk management revolving fund	1,351,000
27	Parity compensation fund	4,000,300
28	Public safety equipment fund	2,894,000
29	Concealed weapons permit fund	3,107,300
30	Fingerprint clearance card fund	1,581,100

31 Of the \$28,311,100 appropriated to the GIITEM line item, \$16,257,200
32 shall be used for one hundred department of public safety GIITEM
33 personnel. The additional staff shall include at least fifty sworn
34 department of public safety positions to be used for immigration
35 enforcement and border security and fifty department of public safety
36 positions to assist GIITEM in various efforts, including:

- 37 1. Strictly enforcing all federal laws relating to illegal aliens
38 and arresting illegal aliens.
- 39 2. Responding to or assisting any county sheriff or attorney in
40 investigating complaints of employment of illegal aliens.
- 41 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
42 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
43 Enforcement and Safe Neighborhoods Act" and investigating crimes of
44 identity theft in the context of hiring illegal aliens and the unlawful
45 entry into this country.

1 4. Taking strict enforcement action.

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

7 Of the \$28,311,100 appropriated to the GIITEM line item, only
8 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
9 Arizona Revised Statutes, and is appropriated for the purposes of that
10 section. The \$1,403,400 is exempt from the provisions of section 35-190,
11 Arizona Revised Statutes, relating to lapsing of appropriations. This
12 state recognizes that states have inherent authority to arrest a person
13 for any immigration violation.

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

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

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

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

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

39 The department shall use the \$11,709,300 appropriated for the
40 onetime vehicle replacement line item to replace at least 276 vehicles.
41 This appropriation is exempt from the provisions of section 35-190,
42 Arizona Revised Statutes, relating to lapsing of appropriations until June
43 30, 2024.

44 Until all of the monies in the civil air patrol infrastructure line
45 item have been distributed, on or before December 1 of each year, the

1 department shall submit a report to the joint legislative budget committee
 2 on the monies distributed from the civil air patrol infrastructure line
 3 item and the intended purposes of the distributions.

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

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

16 Sec. 78. STATE REAL ESTATE DEPARTMENT

17		<u>2022-23</u>
18	FTE positions	37.0
19	Lump sum appropriation	\$ 2,922,100
20	Fund sources:	
21	State general fund	\$ 2,922,100

22 Sec. 79. RESIDENTIAL UTILITY CONSUMER OFFICE

23		<u>2022-23</u>
24	FTE positions	12.0
25	Operating lump sum appropriation	\$ 1,307,200
26	Professional witnesses	<u>145,000*</u>
27	Total appropriation – residential utility	
28	consumer office	\$ 1,452,200
29	Fund sources:	
30	Residential utility consumer	
31	office revolving fund	\$ 1,452,200

32 Sec. 80. BOARD OF RESPIRATORY CARE EXAMINERS

33		<u>2022-23</u>
34	FTE positions	4.0
35	Lump sum appropriation	\$ 370,000
36	Fund sources:	
37	Board of respiratory care	
38	examiners fund	\$ 370,000

39 Sec. 81. ARIZONA STATE RETIREMENT SYSTEM

40		<u>2022-23</u>
41	FTE positions	240.9
42	Lump sum appropriation	\$25,599,400

1	Fund sources:	
2	Arizona state retirement system	
3	administration account	\$23,799,400
4	Long-term disability trust fund	
5	administration account	1,800,000
6	Sec. 82. DEPARTMENT OF REVENUE	
7		<u>2022-23</u>
8	FTE positions	892.8
9	Operating lump sum appropriation	\$69,726,000
10	BRITS operational support	7,567,500
11	E-commerce compliance and outreach	854,900
12	Unclaimed property administration	
13	and audit	1,467,800
14	TPT simplification	984,100
15	Tax fraud prevention	<u>3,150,000</u>
16	Total appropriation – department of revenue	\$83,750,300
17	Fund sources:	
18	State general fund	\$56,589,100
19	Department of revenue	
20	administrative fund	25,669,800
21	Liability setoff program	
22	revolving fund	806,900
23	Tobacco tax and health care fund	684,500

24 If the total value of properties retained by unclaimed property
 25 contract auditors exceeds \$1,467,800, the excess amount is transferred
 26 from the state general fund to the department of revenue administrative
 27 fund established by section 42-1116.01, Arizona Revised Statutes, and is
 28 appropriated to the department for contract auditor fees.

29 The department shall report the department's general fund revenue
 30 enforcement goals for fiscal year 2022-2023 to the joint legislative
 31 budget committee on or before September 30, 2022. On or before September
 32 30, 2023, the department shall provide an annual progress report to the
 33 joint legislative budget committee as to the effectiveness of the
 34 department's overall enforcement and collections program for fiscal year
 35 2022-2023. The reports shall compare projected and actual state general
 36 fund, total state tax, total county tax and total municipal tax revenue
 37 enforcement collections for fiscal year 2021-2022 and fiscal year
 38 2022-2023, including the amount of projected and actual enforcement
 39 collections for all tax types. The reports shall also include the total
 40 number of transaction privilege tax delinquent accounts, the total dollar
 41 value of those accounts classified by age of account and the total dollar
 42 amount of delinquent account write-offs determined to be uncollectible for
 43 fiscal year 2021-2022.

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

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

6 On or before November 1, 2022, the department shall report the
 7 results of private fraud prevention investigation services during fiscal
 8 year 2021-2022 to the joint legislative budget committee. The report
 9 shall include the total number of fraudulent returns prevented and the
 10 total dollar amount of fraudulent returns prevented during fiscal year
 11 2021-2022.

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

	<u>2022-23</u>
13 FTE positions	143.1
14 Operating lump sum appropriation	\$13,347,100
15 Access voter information database	483,500
16 Election services	8,000,000
17 Library grants-in-aid	651,400*
18 Statewide radio reading service	
19 for the blind	97,000
20 Uniform state laws commission	<u>99,000</u>
21 Total appropriation – department of	
22 state – secretary of state	\$22,678,000
23 Fund sources:	
24 State general fund	\$20,907,700
25 Election systems improvement fund	483,500
26 Records services fund	1,286,800

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

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

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

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

41 Monies in the access voter information database line item may be
 42 used only for the exclusive purpose of developing and administering the
 43 statewide database of voter registration information required by section
 44

1 16-168, Arizona Revised Statutes. The secretary of state may not transfer
 2 any monies in or out of the access voter information database line item.

3 Notwithstanding section 35-190, Arizona Revised Statutes, the
 4 appropriation of \$5,352,200 to the secretary of state for the county
 5 allocation of help America vote act election security grant monies made by
 6 Laws 2020, chapter 58, section 104 that remains unexpended on June 30,
 7 2023 reverts to the fund from which the monies were appropriated.

8 Sec. 84. STATE BOARD OF TAX APPEALS

9		<u>2022-23</u>
10	FTE positions	4.0
11	Lump sum appropriation	\$ 283,300
12	Fund sources:	
13	State general fund	\$ 283,300

14 Sec. 85. STATE BOARD OF TECHNICAL REGISTRATION

15		<u>2022-23</u>
16	FTE positions	25.0
17	Lump sum appropriation	\$ 2,375,400
18	Fund sources:	
19	Technical registration fund	\$ 2,375,400

20 Sec. 86. OFFICE OF TOURISM

21		<u>2022-23</u>
22	FTE positions	28.0
23	Tourism fund deposit	\$ 7,131,500
24	Arizona promotion	1,000,000
25	Wine promotion	<u>1,100,000*</u>
26	Total appropriation – office of tourism	\$ 9,231,500
27	Fund sources:	
28	State general fund	\$ 9,231,500

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

33 Sec. 87. DEPARTMENT OF TRANSPORTATION

34		<u>2022-23</u>
35	FTE positions	4,554.0
36	Operating lump sum appropriation	\$223,578,200
37	Attorney general legal services	3,623,700
38	Highway maintenance	202,636,900
39	Vehicles and heavy equipment	
40	maintenance	25,285,200
41	State fleet operations	25,267,100
42	State fleet vehicle replacement	10,715,800
43	Driver license security software	2,260,000
44	Driver safety and livestock control	800,000

1	Vehicle and heavy equipment	
2	replacement	22,400,000
3	Highway damage recovery account	8,000,000
4	Preventive surface treatments	36,142,000
5	Authorized third parties	<u>2,104,400</u>
6	Total appropriation – department of	
7	transportation	\$562,813,300
8	Fund sources:	
9	Air quality fund	\$ 324,500
10	Arizona highway user revenue fund	701,600
11	Highway damage recovery account	8,000,000
12	Ignition interlock device fund	351,100
13	Motor vehicle liability	
14	insurance enforcement fund	5,154,100
15	State fleet operations fund	25,267,100
16	State vehicle replacement fund	10,715,800
17	State aviation fund	2,014,200
18	State highway fund	482,905,100
19	Department fleet operations fund	25,285,200
20	Vehicle inspection and certificate	
21	of title enforcement fund	2,094,600

22 Motor vehicle division

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

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

39 On or before August 1, 2022, the department shall report to the
 40 director of the joint legislative budget committee the state's share of
 41 fees retained by the service Arizona vendor in the prior fiscal year. The
 42 report shall include the amount spent by the service Arizona vendor on
 43 behalf of this state in the prior fiscal year and a list of the projects
 44 funded with those monies.

1 Other

2 Of the total amount appropriated, \$202,636,900 in fiscal year
3 2022-2023 for highway maintenance is exempt from the provisions of section
4 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
5 except that all unexpended and unencumbered monies of the appropriation
6 revert to the state highway fund established by section 28-6991, Arizona
7 Revised Statutes, on August 31, 2023.

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

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

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

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

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

35 The department may use \$37,954.04 from the fiscal year 2022-2023
36 state highway fund appropriation to pay a fiscal year 2016-2017 invoice.

37 Sec. 88. STATE TREASURER

	<u>2022-23</u>
38	
39	35.4
40	\$ 3,888,800
41	
42	100,000
43	2,818,200
44	
45	<u>2,183,800</u>

1	Total appropriation – state treasurer	\$ 8,990,800
2	Fund sources:	
3	State general fund	\$ 3,223,300
4	Law enforcement and boating	
5	safety fund	2,183,800
6	State treasurer's operating fund	3,583,700

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

14 Sec. 89. GOVERNOR'S OFFICE ON TRIBAL RELATIONS

15		<u>2022-23</u>
16	FTE positions	3.0
17	Lump sum appropriation	\$ 63,500
18	Fund sources:	
19	State general fund	\$ 63,500

20 Sec. 90. ARIZONA BOARD OF REGENTS

21		<u>2022-23</u>
22	FTE positions	30.9
23	Operating lump sum appropriation	\$ 2,455,400
24	Adaptive athletics	160,000
25	Camp Verde meat processing facility	9,700,000
26	Enclosed feeding facility	9,500,000
27	Food product and safety laboratory	10,900,000
28	Arizona promise program	20,000,000
29	Spouses of military veterans	
30	tuition scholarships	10,000,000
31	Arizona teachers academy	15,000,000
32	Arizona teachers incentive program	90,000
33	Arizona teacher student loan program	426,000
34	Arizona transfer articulation	
35	support system	213,700
36	Leveraging educational assistance	
37	partnership program	1,220,800
38	Veterinary loan assistance program	6,000,000
39	Washington, D.C. internships	300,000*
40	Western interstate commission	
41	office	153,000
42	WICHE student subsidies	<u>4,078,000</u>

1 Total appropriation – Arizona board of
2 regents \$ 90,196,900
3 Fund sources:
4 State general fund \$ 90,196,900
5 The Arizona board of regents shall distribute monies appropriated
6 for the adaptive athletics line item to each university under the
7 jurisdiction of the board to maintain and operate an intercollegiate
8 adaptive athletics program that provides opportunities for competitive
9 wheelchair and adaptive sports to students and community members with
10 disabilities. The monies may be spent only when the university collects
11 matching monies of gifts, grants and donations for the intercollegiate
12 adaptive athletics program from sources other than this state.
13 Universities may spend the monies only on scholarships, equipment,
14 uniforms, travel expenses and tournament fees for participants in the
15 intercollegiate adaptive athletics program. The monies may not be used
16 for administrative costs, personal services or employee-related
17 expenditures.
18 The Arizona board of regents shall distribute the monies
19 appropriated in the Camp Verde meat processing facility line item to the
20 university of Arizona for distribution to an entity for construction of a
21 meat processing facility and truck handling facilities in Camp Verde. The
22 entity receiving the monies shall provide an education component as part
23 of its operations. If the entity receiving the monies sells the meat
24 processing facility, the proceeds from the sale shall be transferred to
25 this state for deposit in the state general fund. These monies may not be
26 used for administrative costs.
27 The Arizona board of regents shall distribute monies appropriated in
28 the enclosed feeding facility line item to the university of Arizona to
29 construct an enclosed feeding facility at the campus agricultural center.
30 These monies may not be used for administrative costs.
31 The Arizona board of regents shall distribute monies appropriated in
32 the food product and safety laboratory line item to the university of
33 Arizona for capital improvements to the food product and safety laboratory
34 at the campus agricultural center. These monies may not be used for
35 administrative costs.
36 In order to be eligible to receive state matching monies under the
37 leveraging educational assistance partnership program for grants to
38 students, each participating institution, public or private, shall provide
39 an amount of institutional matching monies that equals the amount of
40 monies provided by this state to the institution for the leveraging
41 educational assistance partnership program. Administrative expenses
42 incurred by the Arizona board of regents shall be paid from institutional
43 matching monies and may not exceed twelve percent of the monies
44 appropriated in fiscal year 2022-2023.

1 The Arizona board of regents shall distribute monies appropriated
 2 for Washington, D.C. internships in equal amounts to each of the three
 3 universities under the jurisdiction of the board for the purpose of
 4 providing student internships in Washington, D.C. in partnership with a
 5 third-party organization. The third-party organization must meet the
 6 following requirements:

7 1. Have partnerships with Washington, D.C.-based organizations to
 8 provide full-time, semester-long student internships.

9 2. Have the ability to place as many students in internships as
 10 needed by the universities.

11 3. Have experience placing students in internships for at least ten
 12 consecutive years.

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

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

27 Sec. 91. ARIZONA STATE UNIVERSITY

	<u>2022-23</u>
28 FTE positions	8,171.0
29 Operating lump sum appropriation	\$838,575,000
30 Biomedical informatics	3,723,500
31 Eastern Europe cultural collaborative	250,000
32 School of civic and economic	
33 thought and leadership	5,818,300
34 Arizona financial aid trust	5,985,800
35 Downtown Phoenix campus	<u>104,815,500</u>
36 Total appropriation – Arizona state	
37 university	\$959,168,100
38 Fund sources:	
39 State general fund	\$361,449,300
40 University collections fund	597,718,800

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

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

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

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

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

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

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

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

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

40 Any unencumbered balances remaining in the university collections
41 fund on June 30, 2022 and all collections received by the university
42 during the fiscal year are appropriated for operating expenditures,
43 capital outlay and fixed charges. Earnings on state lands and interest on
44 the investment of the permanent land funds are appropriated in compliance
45 with the enabling act and the Constitution of Arizona. No part of this

1 appropriation may be spent for supplemental life insurance or supplemental
2 retirement.

3 Sec. 92. NORTHERN ARIZONA UNIVERSITY

	<u>2022-23</u>
4	
5 FTE positions	2,619.3
6 Operating lump sum appropriation	\$251,294,400
7 Arizona financial aid trust	1,326,000
8 Biomedical research funding	3,000,000
9 Economic policy institute	865,300
10 NAU – Yuma	3,075,600
11 Teacher training	<u>2,292,700</u>
12 Total appropriation – Northern Arizona	
13 university	\$261,854,000

14 Fund sources:

15 State general fund	\$126,870,700
16 University collections fund	134,983,300

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

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

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

24 Of the amount appropriated to the northern Arizona university
25 operating budget, \$10,100,000 is onetime funding. On or before September
26 1, 2022, northern Arizona university shall provide a detailed expenditure
27 plan to the joint legislative budget committee that includes a description
28 of the intended purposes and the estimated costs of each expenditure.

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

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

41 The biomedical research funding shall be distributed to a nonprofit
42 medical research foundation in this state that collaborates with
43 universities, hospitals and biotechnology and health research centers. A
44 nonprofit foundation that receives monies shall submit an expenditure and
45 performance report to Northern Arizona university. The university shall

1 transmit the report to the joint legislative budget committee and the
2 director of the governor's office of strategic planning and budgeting on
3 or before February 1, 2023. The report must include at least the
4 following:

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

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

11 3. Performance measures, including:

12 (a) Outcomes that are specifically related to the use of state
13 monies.

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

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

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

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

32 1. The total amount of funding received from all sources.

33 2. A description of the faculty positions and courses offered.

34 3. The total undergraduate and graduate student participation.

35 4. Significant community events, initiatives or publications.

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

40 Sec. 93. UNIVERSITY OF ARIZONA

41		<u>2022-23</u>
42	<u>Main campus</u>	
43	FTE positions	5,975.5
44	Operating lump sum appropriation	\$463,099,000
45	Agriculture	37,317,700

1	Arizona cooperative extension	15,077,000
2	Arizona financial aid trust	2,729,400
3	Arizona geological survey	1,148,500
4	Center for the philosophy	
5	of freedom	4,344,600
6	College of veterinary medicine	8,000,000
7	Kazakhstan studies program	250,000
8	Mining, mineral and natural	
9	resources educational museum	428,800
10	Natural resource users law and	
11	policy center	1,950,000
12	School of mining	4,000,000
13	Sierra Vista campus	6,277,200
14	Veterinary diagnostic laboratory	<u>5,000,000</u>
15	Total – main campus	\$549,622,200
16	Fund sources:	
17	State general fund	\$245,033,200
18	University collections fund	304,589,000
19	<u>Health sciences center</u>	
20	FTE positions	1,268.7
21	Operating lump sum appropriation	\$ 86,455,700
22	Clinical rural rotation	353,600
23	Clinical teaching support	8,587,000
24	Liver research institute	440,400
25	Phoenix medical campus	35,754,300
26	Telemedicine network	<u>1,670,000</u>
27	Total – health sciences center	\$133,261,000
28	Fund sources:	
29	State general fund	\$ 76,897,700
30	University collections fund	<u>56,363,300</u>
31	Total appropriation - university of	
32	Arizona	\$682,883,200
33	Fund sources:	
34	State general fund	\$321,930,900
35	University collections fund	360,952,300

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

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

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

43 Of the amount appropriated to the university of Arizona operating
44 budget, \$14,700,000 is onetime funding. On or before September 1, 2022,
45 the university of Arizona shall provide a detailed expenditure plan to the

1 joint legislative budget committee that includes a description of the
2 intended purposes and the estimated costs of each expenditure.

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

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

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

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

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

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

- 40 1. The current number of students who are residents of this state.
- 41 2. The current number of students who are not residents of this
42 state.
- 43 3. With these monies, the proposed number of students who are
44 residents of this state.

1 4. With these monies, the proposed number of students who are not
2 residents of this 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, with \$500,000
9 to assist claimants in the general stream adjudication of water rights
10 pursuant to section 15-1647, Arizona Revised Statutes, \$1,000,000 for
11 operational costs of the natural resource users law and policy center and
12 \$450,000 to conduct a statewide survey of species in this state.

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

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

28 Sec. 94. DEPARTMENT OF VETERANS' SERVICES

29		<u>2022-23</u>
30	FTE positions	772.3
31	Operating lump sum appropriation	\$ 2,364,000
32	Arizona state veterans' homes	57,011,900
33	Hyperbaric oxygen therapy for military	
34	veterans fund deposit	3,640,000
35	Arizona state veterans' cemeteries	941,600
36	Veterans' benefit counseling	3,601,800
37	Veterans' support services	1,226,100
38	Veterans' trauma treatment	
39	services	<u>450,000</u>
40	Total appropriation – department of	
41	veterans' services	\$ 69,235,400
42	Fund sources:	
43	State general fund	\$ 12,223,500
44	State home for veterans' trust	
45	fund	57,011,900

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

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

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

23 Sec. 95. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

	<u>2022-23</u>
FTE positions	7.0
Lump sum appropriation	\$ 714,600
Fund sources:	
Veterinary medical examining board fund	\$ 714,600

30 Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

	<u>2022-23</u>
Eastern Arizona water projects assistance grants	<u>10,000,000*</u>
Total appropriation – water infrastructure finance authority of Arizona	\$ 10,000,000
Fund sources:	
State general fund	\$ 10,000,000

38 Of the amount appropriated to the eastern Arizona water projects
 39 assistance grants line item, \$6,000,000 is allocated to provide financial
 40 assistance to cities and towns that provide water in Navajo and Apache
 41 counties to contract for services of outside advisors, attorneys,
 42 consultants and aides that are reasonably necessary or desirable to enable
 43 the cities and towns to adequately perform their duties. The water
 44 infrastructure finance authority of Arizona shall develop a separate grant

1 program to distribute these monies to qualified entities on or before June
 2 30, 2023.

3 Of the amount appropriated to the eastern Arizona water projects
 4 assistance grants line item, \$4,000,000 is allocated to provide financial
 5 assistance to irrigation districts in Cochise and Graham counties to
 6 contract for services of outside advisors, attorneys, consultants and
 7 aides that are reasonably necessary or desirable to enable the irrigation
 8 districts to adequately perform their duties. Each county shall receive a
 9 \$2,000,000 allocation. The water infrastructure finance authority of
 10 Arizona shall develop a separate grant program to distribute these monies
 11 to qualified entities on or before June 30, 2023.

12 Sec. 97. DEPARTMENT OF WATER RESOURCES

	<u>2022-23</u>
13	
14	FTE positions 149.0
15	Operating lump sum appropriation \$ 13,840,600
16	Adjudication support 1,757,300
17	Arizona water protection fund
18	deposit 1,250,000
19	Assured and adequate water supply
20	administration 2,323,600
21	Rural water studies 1,169,300
22	Conservation and drought program 414,600
23	Automated groundwater monitoring 410,400
24	Colorado River legal expenses 500,000*
25	New River flood insurance study <u>350,000</u>
26	Total appropriation - department of water
27	resources \$ 22,015,800
28	Fund sources:
29	State general fund \$ 20,052,300
30	Water resources fund 1,695,400
31	Assured and adequate water
32	supply administration fund 268,100

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

43 Monies in the adjudication support line item may be used only for
 44 the exclusive purposes prescribed in section 45-256, Arizona Revised
 45 Statutes, and section 45-257, subsection B, paragraph 4, Arizona Revised

1 Statutes. The department of water resources may not transfer any monies
2 into or out of the adjudication support line item.

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

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

14 Fiscal Year 2021-2022 Appropriation Adjustments

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

18 A. In addition to any other appropriations made in fiscal year
19 2021-2022, the sum of \$1,110,600 is appropriated from the risk management
20 revolving fund established by section 41-622, Arizona Revised Statutes, in
21 fiscal year 2021-2022 to the department of administration for the
22 following purposes:

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

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

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

37 A. In addition to any other appropriations made in fiscal year
38 2021-2022, the sum of \$93,500,000 is appropriated from the state general
39 fund in fiscal year 2021-2022 to the department of administration to pay
40 for the retirement or defeasance of the financing agreements entered into
41 pursuant to Laws 2007, chapter 257, section 8 and Laws 2007, chapter 261,
42 section 9.

43 B. The director of the department of administration shall notify
44 the directors of the joint legislative budget committee and the governor's
45 office of strategic planning and budgeting not more than ten days after

1 each retirement or defeasance is executed as required in subsection A of
2 this section. Each notification shall include the date and final cost of
3 each retirement or defeasance.

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

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

12 In addition to any other appropriations made in fiscal year
13 2021-2022, the sum of \$10,105,000 is appropriated from expenditure
14 authority in fiscal year 2021-2022 to the department of child safety
15 operating lump sum for additional federal funding associated with the
16 extension of an enhanced federal medical assistance percentage rate.

17 Sec. 101. Supplemental appropriation; department of child
18 safety; adoption services growth; fiscal year
19 2021-2022

20 In addition to any other appropriations made in fiscal year
21 2021-2022, the sum of \$3,300,000 is appropriated from expenditure
22 authority in fiscal year 2021-2022 to the department of child safety
23 adoption services line item for caseload growth.

24 Sec. 102. Supplemental appropriation; department of economic
25 security; additional federal funding; fiscal year
26 2021-2022

27 In addition to any other appropriations made in fiscal year
28 2021-2022, the sum of \$139,824,000 is appropriated from expenditure
29 authority in fiscal year 2021-2022 to the department of economic security
30 for additional federal funding.

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

33 In addition to any other appropriations made in fiscal year
34 2021-2022, the sum of \$396,900 is appropriated from the state general fund
35 in fiscal year 2021-2022 to the department of gaming to enhance the
36 general purse structure and for track maintenance and operations. The
37 department shall allocate \$330,400 to a commercial live racing permittee
38 located in Yavapai county and \$66,500 to a commercial live racing
39 permittee located in Pima county.

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

43 In addition to any other appropriations made in fiscal year
44 2021-2022, the sum of \$93,117,000 is appropriated from the state general
45 fund in fiscal year 2021-2022 to the building renewal grant fund

1 established by section 41-5731, Arizona Revised Statutes, for building
2 renewal grants in the school facilities division within the department of
3 administration.

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

8 A. In addition to any other appropriations made in fiscal year
9 2021-2022, the sum of \$420,559,600 is appropriated from the state general
10 fund in fiscal year 2021-2022 to the public safety personnel retirement
11 system to be deposited in the employer account of the department of public
12 safety public safety personnel retirement system group to reduce the
13 unfunded accrued liability.

14 B. In addition to any other appropriations made in fiscal year
15 2021-2022, the sum of \$82,243,000 is appropriated from the state general
16 fund in fiscal year 2021-2022 to the public safety personnel retirement
17 system to be deposited in the employer account of the Arizona game and
18 fish department public safety personnel retirement system group to reduce
19 the unfunded accrued liability.

20 C. In addition to any other appropriations made in fiscal year
21 2021-2022, the sum of \$15,000,000 is appropriated from the game and fish
22 fund established by section 17-261, Arizona Revised Statutes, in fiscal
23 year 2021-2022 to the public safety personnel retirement system to be
24 deposited in the employer account of the Arizona game and fish department
25 public safety personnel retirement system group to reduce the unfunded
26 accrued liability.

27 D. In addition to any other appropriations made in fiscal year
28 2021-2022, the sum of \$474,635,300 is appropriated from the state general
29 fund in fiscal year 2021-2022 to the public safety personnel retirement
30 system to be deposited in the employer account of the state department of
31 corrections corrections officer retirement plan group to reduce the
32 unfunded accrued liability.

33 E. In addition to any other appropriations made in fiscal year
34 2021-2022, the sum of \$73,940,800 is appropriated from the state general
35 fund in fiscal year 2021-2022 to the public safety personnel retirement
36 system to be deposited in the employer account of the department of
37 juvenile corrections corrections officer retirement plan group to reduce
38 the unfunded accrued liability.

39 F. The board of trustees of the public safety personnel retirement
40 system shall account for the appropriations made in this section in the
41 June 30, 2022 actuarial valuation of the public safety personnel
42 retirement system and the corrections officer retirement plan. The board
43 shall account for the appropriations when calculating the employee
44 contribution rates and employer contribution rates pursuant to section

1 38-843, Arizona Revised Statutes, and section 38-891, Arizona Revised
2 Statutes, during fiscal year 2023-2024.

3 G. Within twelve months after receiving the appropriations made in
4 this section, the board of trustees of the public safety personnel
5 retirement system shall transmit to the joint legislative budget committee
6 and the governor's office of strategic planning and budgeting a
7 comprehensive report on the actuarial assumptions for the public safety
8 personnel retirement system and corrections officer retirement plan. The
9 report shall analyze the current policies and potential future changes for
10 the following actuarial assumptions: investment returns, payroll growth,
11 inflation, cost-of-living adjustments, actuarial asset smoothing method
12 and member experience related to mortality, service and disability. The
13 report shall also include a comparison of the board's current and
14 potential future actuarial assumptions to other comparable public
15 retirement systems and generally accepted actuarial funding policies.

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

19 Fiscal Year 2022-2023 Appropriations

20 Sec. 106. Appropriations; department of administration;
21 counties; allocations; report; fiscal year
22 2022-2023

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

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

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

41 D. The sum of \$7,000,000 is appropriated from the state general
42 fund in fiscal year 2022-2023 to the department of administration for
43 distribution to counties to establish a coordinated reentry planning
44 services program.

1 estimate the fiscal impact of proposed tax legislation. The model shall
2 only include data from state and federal tax returns that are captured by
3 the tax system. The individual income tax model shall include procedures
4 to protect taxpayer confidentiality under applicable state and federal
5 law.

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

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

13 E. The sum of \$300,000 is appropriated from the secretary of state
14 subaccount in the automation projects fund established pursuant to section
15 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the
16 secretary of state to conduct a feasibility study to electronic records
17 storage.

18 F. The sum of \$1,700,000 is appropriated from the department of
19 water resources subaccount in the automation projects fund established
20 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
21 2022-2023 to the department of water resources to develop, modernize and
22 consolidate the department's applications.

23 Quarterly Reports

24 G. Within thirty days after the last day of each calendar quarter,
25 the department of administration shall submit to the joint legislative
26 budget committee a quarterly report on implementing projects approved by
27 the information technology authorization committee established by section
28 18-121, Arizona Revised Statutes, including the projects' expenditures to
29 date, deliverables, timeline for completion and current status.

30 Nonlapsing

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

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

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

1 as part of the closing process for fiscal year 2022-2023. The department
2 shall notify the joint legislative budget committee of the reimbursement
3 on or before September 1, 2023. The appropriation may not be used for
4 additional programmatic expenditures.

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

7 The sum of \$1,000,000 is appropriated from the state general fund in
8 fiscal year 2022-2023 to the department of education for deposit in the
9 invest in postsecondary success program fund established by section
10 15-249.18, Arizona Revised Statutes.

11 Sec. 110. Department of emergency and military affairs;
12 border security; exemption; fiscal year 2022-2023

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

18 1. \$20,000,000 to Cochise county to construct a new county jail
19 facility. The monies allocated in this paragraph are intended to fund up
20 to twenty percent of the total jail facility construction cost but not to
21 exceed \$20,000,000. The monies allocated in this paragraph shall not be
22 distributed until Cochise county has submitted to the director of the
23 joint legislative budget committee, the director of the governor's office
24 of strategic planning and budgeting and the director of the department of
25 administration a report that the county has raised sufficient monies to
26 fund the remainder of the project's budget. Notwithstanding section
27 41-1252, Arizona Revised Statutes, the monies allocated in this paragraph
28 are not subject to review by the joint committee on capital review. Any
29 monies allocated pursuant to this paragraph that remain unexpended and
30 unencumbered on June 30, 2027 revert to the border security fund
31 established by section 26-105, Arizona Revised Statutes.

32 2. \$15,000,000 to reimburse a county or local law enforcement
33 agency for costs incurred by the county or local law enforcement agency
34 for participating in a program with the United States immigration and
35 customs enforcement pursuant to 8 United States code section 1357(g).

36 3. \$10,000,000 for deposit in the antihuman trafficking grant fund
37 established by section 26-106, Arizona Revised Statutes. The monies shall
38 be allocated as follows:

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

43 (b) \$8,000,000 in award grants to city, town and county law
44 enforcement agencies, in an amount of not more than \$500,000 per agency,

1 for programs that reduce human trafficking and that comply with the
2 requirements prescribed in section 26-106, Arizona Revised Statutes.

3 4. \$30,000,000 to distribute to cities, towns or counties for costs
4 associated with prosecuting and imprisoning individuals charged with drug
5 trafficking, human smuggling, illegal immigration and other border-related
6 crimes.

7 5. \$10,000,000 for costs incurred by Arizona national guard assets
8 augmenting and supporting the department of public safety and local law
9 enforcement agencies relating to violations of the laws of this state in
10 the southern Arizona border region.

11 6. \$10,000,000 for emergency health care and testing for immigrants
12 along the southern Arizona border.

13 7. \$15,000,000 for transportation of individuals who entered
14 Arizona seeking asylum to other states in the United States, including the
15 cost of meals, onboard staffing and support.

16 8. \$53,405,000 for deputy sheriff compensation to be distributed to
17 the department of administration for the following purposes:

18 (a) \$48,310,000 to counties for the purposes of a \$10,000 onetime
19 payment to line-level deputies and detention officers employed by each
20 county sheriff's office as of May 1, 2022. The county shall distribute
21 the payment to eligible employees in equal quarterly installments over two
22 years. If the amount is insufficient for a \$10,000 per employee payment,
23 the department shall distribute a prorated amount based on the total
24 number of deputies and detention officers employed. On or before August
25 30, 2023 and August 30, 2024, each county sheriff shall submit a report to
26 the department of administration on the actual use of the monies received
27 and the most recent staffing and retention data for the positions
28 receiving the payment. On or before September 30, 2023 and September 23,
29 2024, the department of administration shall submit a report to the
30 directors of the joint legislative budget committee and the governor's
31 office of strategic planning and budgeting detailing the total amounts
32 distributed by county and summarizing the individual county reports.

33 (b) \$5,095,000 to counties for the purposes of a \$5,000 onetime
34 payment to line-level deputies and detention officers hired between May 1,
35 2022 and May 1, 2023. The county shall distribute the payment to eligible
36 employees in equal quarterly installments over one year. On June 1, 2023,
37 the department of administration shall distribute the funding to the
38 counties based on the actual number of hires during this time period, as
39 demonstrated by each county. If the amount is insufficient for a \$5,000
40 per employee payment, the department shall distribute a prorated amount
41 based on the total number of hired detention officers and sheriff's
42 deputies. On or before June 30, 2023, the department shall submit a
43 report to the directors of the joint legislative budget committee and the
44 governor's office of strategic planning and budgeting detailing the
45 amounts distributed to each county.

1 9. \$800,000 for the purposes prescribed in section 26-174, Arizona
2 Revised Statutes, regarding the established chain of command within the
3 Arizona state guard.

4 10. \$30,000,000 for the construction costs of a state emergency
5 operations center. Pursuant to section 41-1252, Arizona Revised Statutes,
6 before spending the monies allocated in this paragraph, the department of
7 emergency and military affairs shall submit for review by the joint
8 committee on capital review the scope, purpose and estimated cost of the
9 capital improvements.

10 11. \$15,000,000 to the department of public safety for the
11 construction costs of a southern border coordinated response center.
12 Pursuant to section 41-1252, Arizona Revised Statutes, before spending the
13 monies allocated in this paragraph, the department of public safety shall
14 submit for review by the joint committee on capital review the scope,
15 purpose and estimated cost of the capital improvements.

16 B. Within thirty days after the end of each calendar quarter until
17 the monies appropriated by this section are fully expended, the department
18 of emergency and military affairs, in consultation with the Arizona
19 department of homeland security and the department of public safety, shall
20 report to the joint legislative budget committee on the status of the
21 project allocations and monies expended as prescribed by this section.

22 C. The department of emergency and military affairs may transfer
23 spending authority between and within the programs and purposes listed in
24 subsection A of this section. Before making a transfer, the department
25 shall submit the proposed transfer to the joint legislative budget
26 committee for review.

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

30 Sec. 111. Appropriation reductions; department of health
31 services; state department of corrections; fiscal
32 year 2022-2023

33 The sum of \$(18,944,000) is reduced from appropriations made from
34 the state general fund in fiscal year 2022-2023 to eliminate debt service
35 payments following the retirement or defeasance of financing agreements
36 entered into pursuant to Laws 2007, chapter 257, section 8 and Laws 2007,
37 chapter 261, section 9. Of this amount:

38 1. The sum of \$(2,973,000) is reduced from appropriations made from
39 the state general fund in fiscal year 2022-2023 to the department of
40 health services Arizona state hospital operating line item.

41 2. The sum of \$(15,971,000) is reduced from appropriations made
42 from the state general fund in fiscal year 2022-2023 to the state
43 department of corrections operating lump sum appropriation.

Payment Deferrals

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

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

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

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

Statewide Adjustments

Sec. 123. Appropriations; operating adjustments 2022-23

1. Arizona financial information	
system adjustment	\$ 730,900
Fund sources:	
State general fund	\$ 330,900
Other funds	400,000
2. Agency rent adjustment	\$ (2,995,600)
Fund sources:	
State general fund	\$ (695,600)
Other funds	(2,300,000)
3. Retirement payoff adjustments	\$(98,119,900)
Fund sources:	
State general fund	\$(98,119,900)

1	4.	Agency retirement adjustment	\$ 15,118,500
2		Fund sources:	
3		State general fund	\$ 17,218,500
4		Other funds	(2,100,000)
5	5.	Employer health insurance	
6		contribution increase	\$ 103,244,800
7		Fund sources:	
8		State general fund	\$ 63,244,800
9		Other funds	40,000,000
10	6.	University health insurance	
11		backfill	\$ 40,033,000
12		Fund sources:	
13		State general fund	\$ 40,033,000
14	7.	Human resources information system	
15		replacement charge	\$ 13,011,400
16		Fund sources:	
17		State general fund	\$ 8,011,400
18		Other funds	5,000,000
19	8.	Information technology pro rata	\$ 2,618,000
20		Fund sources:	
21		State general fund	\$ 1,618,000
22		Other funds	1,000,000
23	9.	State fleet rate adjustments	\$ 1,078,000
24		Fund sources:	
25		State general fund	\$ 628,000
26		Other funds	450,000

27 Arizona financial information system adjustments

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

38 Agency rent adjustments

39 The amount appropriated is for agency rent adjustments for agencies
 40 relocating to and within state-owned and lease-purchase buildings in
 41 fiscal year 2022-2023. The joint legislative budget committee staff, in
 42 consultation with the governor's office of strategic planning and
 43 budgeting staff, shall determine and the department of administration
 44 shall allocate to each agency or department an amount for the rent
 45 adjustment. The joint legislative budget committee staff shall also

1 determine and the department of administration shall allocate adjustments,
2 as necessary, in expenditure authority to allow implementation of the
3 agency rent adjustments.

4 Retirement payoff adjustments

5 The amount appropriated is for retirement payoff adjustments in
6 fiscal 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 the retirement
10 adjustments. The adjustments shall be \$(52,037,300) for the state
11 department of corrections and \$(46,082,600) for the department of public
12 safety.

13 Agency retirement adjustments

14 The amount appropriated is for retirement adjustments in fiscal year
15 2022-2023. The joint legislative budget committee staff, in consultation
16 with the governor's office of strategic planning and budgeting staff,
17 shall determine and the department of administration shall allocate to
18 each agency or department an amount for the agency retirement adjustments.
19 The joint legislative budget committee staff shall also determine and the
20 department of administration shall allocate adjustments, as necessary, in
21 expenditure authority to allow implementation of the agency retirement
22 adjustments.

23 Employer health insurance contribution increase

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

40 University health insurance backfill

41 The amount appropriated is for the onetime university health
42 insurance backfill to backfill university tuition for health insurance
43 employer rate increases in fiscal year 2022-2023. The joint legislative
44 budget committee staff, in consultation with the governor's office of
45 strategic planning and budgeting staff, shall determine and the department

1 of administration shall allocate to each university for the health
2 insurance contribution adjustment. The legislature intends that any
3 future employer health insurance premium increases continue to be
4 allocated using the overall allocation of state general fund and
5 appropriated tuition monies.

6 Human resources information system replacement charges

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

23 Information technology pro rata adjustment

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

35 State fleet rate adjustment

36 The amount appropriated is for state fleet rate adjustments in
37 fiscal year 2022-2023. The joint legislative budget committee staff, in
38 consultation with the governor's office of strategic planning and
39 budgeting staff, shall determine and the department of administration
40 shall allocate to each agency or department an amount for the state fleet
41 rate adjustments. The joint legislative budget committee staff shall also
42 determine and the department of administration shall allocate adjustments,
43 as necessary, in expenditure authority for state fleet rate adjustments.

1 Sec. 124. Appropriations; salary increases; report; budget
 2 estimates; report; expenditure plan; fiscal year
 3 2022-2023

4 A. In addition to any other appropriations made in fiscal year
 5 2022-2023, the sum of \$49,140,300 from the state general fund and
 6 \$61,635,400 from other funds are appropriated for a ten percent salary
 7 increase for state employees other than elected officials, judges and
 8 employees in state universities, the state department of corrections, the
 9 department of juvenile corrections and the department of public safety
 10 beginning from and after July 8, 2022.

11 B. In addition to any other appropriations made in fiscal year
 12 2022-2023, the sum of \$116,656,800 is appropriated from the state general
 13 fund to the state department of corrections for a twenty percent salary
 14 increase for all department staff beginning from and after July 8, 2022.

15 C. In addition to any other appropriations made in fiscal year
 16 2022-2023, the sum of \$24,478,800 is appropriated from the state general
 17 fund to the department of public safety for a fifteen percent salary
 18 increase for all department staff beginning from and after July 8, 2022.

19 D. In addition to any other appropriations made in fiscal year
 20 2022-2023, the sum of \$5,154,100 is appropriated from the state general
 21 fund to the department of juvenile corrections for a twenty percent salary
 22 increase for all department staff beginning from and after July 8, 2022.

23 E. In addition to any other appropriations made in fiscal year
 24 2022-2023, the following amounts are appropriated to the following
 25 agencies from the following fund sources for additional state employee
 26 salary increases in fiscal year 2022-2023:

<u>Agency</u>	<u>State general fund</u>	<u>Other appropriated funds</u>
29 Arizona department of agriculture	\$1,173,200	\$ 0
30 Arizona health care cost 31 containment system	\$ 288,300	\$ 0
32 Department of child safety	\$3,402,100	\$ 0
33 Corporation commission	\$ 0	\$ 19,300
34 Department of economic security	\$6,136,100	\$ 0
35 Board of executive clemency	\$ 44,300	\$ 0
36 State board of funeral 37 directors and embalmers	\$ 0	\$ 14,000
38 Department of health services	\$2,278,900	\$ 0
39 Department of insurance 40 and financial institutions	\$ 0	\$109,100
41 Arizona judiciary		
42 Supreme court	\$ 553,900	\$ 0
43 Court of appeals	\$ 386,500	\$ 0
44 Superior court	\$ 75,100	\$ 0
45 State land department	\$ 27,800	\$ 0

1	Legislature		
2	Auditor general	\$ 576,600	\$ 0
3	Department of liquor licenses		
4	and control	\$ 0	\$382,100
5	Arizona pioneers' home	\$ 0	\$412,700

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

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

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

22 I. Each budget unit that receives an increase pursuant to this
23 section shall request an allocation of these monies by fund and by line
24 item as an adjustment for fiscal year 2023-2024 when the budget unit
25 submits its fiscal year 2023-2024 budget estimates pursuant to section
26 35-113, Arizona Revised Statutes.

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

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

33	1. Department of administration	\$127,700
34	2. Office of administrative hearings	\$ 3,000
35	3. Arizona arts commission	\$ 3,100
36	4. Citizens clean elections commission	\$ 2,700
37	5. State department of corrections	\$ 2,000
38	6. Arizona criminal justice commission	\$ 8,700
39	7. Arizona state schools for the deaf	
40	and the blind	\$100,200
41	8. Commission for the deaf and the hard	
42	of hearing	\$ 4,100
43	9. Arizona early childhood development and	
44	health board	\$ 47,100
45	10. Department of education	\$132,000

1	11. Department of emergency and military affairs	\$ 30,000
2	12. Department of environmental quality	\$135,600
3	13. Arizona exposition and state fair board	\$ 20,900
4	14. Arizona department of forestry and fire	
5	management	\$ 13,400
6	15. Department of gaming	\$ 37,300
7	16. Department of health services	\$173,800
8	17. Arizona historical society	\$ 700
9	18. Arizona department of housing	\$ 19,300
10	19. Department of insurance and financial	
11	institutions	\$ 13,800
12	20. Department of juvenile corrections	\$ 9,400
13	21. State land department	\$ 2,100
14	22. Department of liquor licenses and control	\$ 11,400
15	23. Arizona state lottery commission	\$ 24,800
16	24. Arizona state parks board	\$ 45,800
17	25. State personnel board	\$ 600
18	26. Arizona pioneers' home	\$ 12,100
19	27. Department of public safety	\$677,400
20	28. Arizona board of regents	\$ 1,800
21	29. Arizona state retirement system	\$ 69,100
22	30. Department of revenue	\$ 4,900
23	31. Department of state – secretary of state	\$ 1,800
24	32. State treasurer	\$ 9,200
25	33. Department of veterans' services	\$ 52,700

26 Fiscal Year 2023-2024 and 2024-2025 appropriations

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

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

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

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

1 the superintendent of public instruction from the elementary and secondary
2 school emergency relief fund as appropriated by section 2001 of the
3 American rescue plan act of 2021 (P.L. 117-2).

4 E. Within thirty days after the last day of each calendar quarter
5 through June 30, 2025, the Arizona board of regents shall report to the
6 president of the senate, the speaker of the house of representatives, the
7 chairpersons of the senate and house of representatives appropriations
8 committees and the director of the joint legislative budget committee the
9 actual expenditure of monies from the higher education emergency relief
10 fund as appropriated by section 2003 of the American rescue plan act of
11 2021 (P.L. 117-2) by Arizona state university, the university of Arizona
12 and northern Arizona university.

13 F. Within thirty days after the last day of each calendar quarter
14 through June 30, 2025, each community college district shall report to the
15 president of the senate, the speaker of the house of representatives, the
16 chairpersons of the senate and house of representatives appropriations
17 committees and the director of the joint legislative budget committee the
18 actual expenditure of monies from the higher education emergency relief
19 fund as appropriated by section 2003 of the American rescue plan act of
20 2021 (P.L. 117-2).

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

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

32 Sec. 132. Legislative intent; expenditure reporting

33 The legislature intends that all departments, agencies and budget
34 units receiving appropriations under the terms of this act continue to
35 report actual, estimated and requested expenditures by budget programs and
36 budget classes in a format that is similar to the budget programs and
37 budget classes used for budgetary purposes in prior years. A different
38 format may be used if deemed necessary to implement section 35-113,
39 Arizona Revised Statutes, agreed to by the director of the joint
40 legislative budget committee and incorporated into the budget preparation
41 instructions adopted by the governor's office of strategic planning and
42 budgeting pursuant to section 35-112, Arizona Revised Statutes.

43 Sec. 133. FTE positions; reporting; definition

44 Full-time equivalent (FTE) positions contained in this act are
45 subject to appropriation. The director of the department of

1 administration shall account for the use of all appropriated and
2 nonappropriated FTE positions, excluding those in the universities. The
3 director of the department of administration shall submit the fiscal year
4 2022-2023 report on or before October 1, 2023 to the director of the joint
5 legislative budget committee. The report shall compare the level of
6 appropriated FTE usage in each fiscal year to the appropriated level. For
7 the purposes of this section, "FTE positions" means the total number of
8 hours worked, including both regular and overtime hours as well as hours
9 taken as leave, divided by the number of hours in a work year. The
10 director of the department of administration shall notify the director of
11 a budget unit if the budget unit's appropriated FTE usage has exceeded its
12 number of appropriated FTE positions. Each university shall report to the
13 director of the joint legislative budget committee in a manner comparable
14 to the department of administration reporting.

15 Sec. 134. Filled FTE positions; reporting

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

20 Sec. 135. Transfer of spending authority

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

25 Sec. 136. Interim reporting requirements

26 A. State general fund revenue for fiscal year 2021-2022, including
27 a beginning balance of \$894,636,000 and other onetime revenues, is
28 forecasted to be \$17,948,800,000.

29 B. State general fund revenue for fiscal year 2022-2023, including
30 onetime revenues, is forecasted to be \$16,830,400,000.

31 C. State general fund revenue for fiscal year 2023-2024, including
32 onetime revenues, is forecasted to be \$15,789,300,000. State general fund
33 expenditures for fiscal year 2023-2024 are forecasted to be
34 \$15,245,700,000.

35 D. State general fund revenue for fiscal year 2024-2025, including
36 onetime revenues, is forecasted to be \$15,881,600,000. State general fund
37 expenditures for fiscal year 2024-2025 are forecasted to be
38 \$15,867,200,000.

39 E. On or before September 15, 2022, the executive branch shall
40 provide to the joint legislative budget committee a preliminary estimate
41 of the fiscal year 2021-2022 state general fund ending balance. The
42 estimate shall include projections of total revenues, total expenditures
43 and an ending balance. The department of administration shall continue to
44 provide the final report for the fiscal year in its annual financial
45 report pursuant to section 35-131, Arizona Revised Statutes.

1 F. Based on the information provided by the executive branch, the
2 staff of the joint legislative budget committee shall report to the joint
3 legislative budget committee on or before October 15, 2022 whether the
4 fiscal year 2022-2023 revenues and ending balance are expected to change
5 by more than \$50,000,000 from the budgeted projections. The joint
6 legislative budget committee staff may make technical adjustments to the
7 revenue and expenditure estimates in this section to reflect other bills
8 enacted into law. The executive branch may also provide its own estimates
9 to the joint legislative budget committee on or before October 15, 2022.

10 Sec. 137. Definition

11 For the purposes of this act, "*" means this appropriation is a
12 continuing appropriation and is exempt from the provisions of section
13 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

14 Sec. 138. Definition

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

18 Sec. 139. Definition

19 For the purposes of this act, "review by the joint legislative
20 budget committee" means a review by a vote of a majority of a quorum of
21 the members of the joint legislative budget committee.