Senate Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

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Fifty-second Legislature
First Regular Session
2015

CHAPTER 8

SENATE BILL 1469

AN ACT

AMENDING LAWS 2012, CHAPTER 294, SECTION 124, AS AMENDED BY LAWS 2013, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 1; AMENDING LAWS 2013, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 115; AMENDING LAWS 2014, CHAPTER 14, SECTION 9; AMENDING LAWS 2014, CHAPTER 18, SECTION 118, AS AMENDED BY LAWS 2014, SECOND SPECIAL SESSION, CHAPTER 2, SECTION 3; REPEALING LAWS 2014, CHAPTER 18, SECTION 135; MAKING APPROPRIATIONS AND BUDGET REDUCTIONS, LIMITATIONS AND TRANSFERS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS FOR FISCAL YEAR 2015-2016; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Laws 2012, chapter 294, section 124, as amended by Laws 2013, first special session, chapter 1, section 1, is amended to read:

Sec. 124. Appropriations; automation projects fund; fiscal years 2012-2013, 2013-2014, 2014-2015 and 2015-2016

A. The sum of $16,800,000 in fiscal year 2012-2013, the sum of $18,400,000 in each of fiscal years 2013-2014 and 2014-2015 and the sum of ~~$9,202,000~~ $2,383,000 in fiscal year 2015-2016 are appropriated from the state general fund for deposit into the automation projects fund established by section 41-714, Arizona Revised Statutes, for the purpose of implementing, upgrading or maintaining automation and information technology projects for any state agency.

B. In addition to the appropriations made in subsection A of this section, the following sums from the following sources are appropriated for deposit into the automation projects fund in fiscal year 2012-2013:

1. $1,500,000 from the information technology fund established by section 41-3505, Arizona Revised Statutes.

2. $5,600,000 from the state web portal fund established by section 41-3506, Arizona Revised Statutes.

3. $4,200,000 from the automation operations fund established by section 41-711, Arizona Revised Statutes.

Sec. 2. Laws 2013, first special session, chapter 1, section 115 is amended to read:

Sec. 115. Appropriations; automation projects fund; fiscal years 2013-2014, 2014-2015 and 2015-2016

A. The sum of $28,638,000 in fiscal year 2013-2014, the sum of $26,533,000 in fiscal year 2014-2015 and the sum of ~~$9,202,000~~ $2,383,000 in fiscal year 2015-2016 are appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, for the replacement of the Arizona financial information system.

B. The following amounts are appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for the following automation and information technology projects:

1. $2,675,000 for improving and maintaining the state data center.

2. $3,075,000 for enhancing statewide data security.

3. $1,000,000 for enhancing enterprise architecture.

4. $2,450,000 for project management of statewide automation and information technology projects.

5. $325,000 for projects related to e-government.

6. $1,975,000 for web portal transition costs.

C. The sum of $1,700,000 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for the second

year of a two-year project to implement, upgrade and maintain the taxpayer accounting system, AZTaxes and data center consolidation for the business reengineering integrated tax system operated by the department of revenue.

D. The sum of $4,900,000 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for implementing data security and encryption projects for the department of revenue.

E. The sum of $8,000,000 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for implementing upgrades to the adult information management system operated by the state department of corrections.

F. The sum of $5,000,000 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for implementing e-licensing projects by the department of environmental quality.

G. The following amounts are appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2013-2014 for the following automation and information technology projects:

1. $7,000,000 for implementing, upgrading and maintaining the student longitudinal data system and the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes.

2. In addition to the amount appropriated in paragraph 1 of this subsection, any remaining balances as of June 30, 2013 from fees collected from universities and community college districts from the education learning and accountability fund established by section 15-249.02, Arizona Revised Statutes, are appropriated for implementing, upgrading and maintaining the student longitudinal data system and the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes.

H. In addition to the initial review of expenditures from the automation projects fund by the joint legislative budget committee pursuant to section 41-714, Arizona Revised Statutes, monies appropriated in subsections A through F of this section from the automation projects fund established by section 41-714, Arizona Revised Statutes, shall not be used for any purpose other than the specified purposes within each subsection without prior review by the joint legislative budget committee.

I. The department of administration shall submit to the joint legislative budget committee quarterly reports on or before the last day of each calendar quarter on the implementation of projects described in this section, including the projects' deliverables, timeline for completion and current status.

Sec. 3. Laws 2014, chapter 14, section 9 is amended to read:

Sec. 9. Department of administration; Arizona financial information system; replacement; exemption

Of the $28,638,000 appropriated to the department of administration in fiscal year 2013-2014 by Laws 2013, first special session, chapter 1, section 115, subsection A, the sum of $4,132,000 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations for fiscal years 2014-2015 and 2015-2016 for the purpose of paying contingency costs related to the replacement of the Arizona financial information system. OF THIS AMOUNT, $212,000 FOR RENT AND $817,000 FOR PRIVATE THIRD-PARTY CONSULTANT OVERSIGHT ARE NOT SUBJECT TO REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

Sec. 4. Laws 2014, chapter 18, section 118, as amended by Laws 2014, second special session, chapter 2, section 3, is amended to read:

Sec. 118. Department of administration; department of child safety; data center relocation; appropriation; fiscal year 2014-2015; exemption

A. The sum of ~~$25,000,000~~ $19,500,000 is appropriated in fiscal year 2014-2015 from the state general fund to the department of administration for costs associated with the establishment of the department of child safety and the relocation of the data center operated by the department of economic security. Before any expenditure of this amount, the department of child safety shall submit an expenditure plan for review by the joint legislative budget committee.

B. THE APPROPRIATION MADE IN SUBSECTION A OF THIS SECTION IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED STATUTES, RELATING TO LAPSING OF APPROPRIATIONS UNTIL JUNE 30, 2016.

Sec. 5. Repeal

Laws 2014, chapter 18, section 135 is repealed.

Sec. 6. Subject to applicable laws, the sums or sources of revenue set forth in this act are appropriated for the fiscal years indicated and only from the funding sources listed for the purposes and objects specified. If monies from funding sources in this act are unavailable, no other funding source may be used.

Sec. 7. ARIZONA STATE BOARD OF ACCOUNTANCY

	2015-16
FTE positions	13.0
Lump sum appropriation	$ 1,936,800
Fund sources:	
Board of accountancy fund	$ 1,936,800

1 Sec. 8. ACUPUNCTURE BOARD OF EXAMINERS

	2015-16
FTE positions	1.0
Lump sum appropriation	$ 157,700
Fund sources:	
Acupuncture board of examiners fund	$ 157,700

Sec. 9. DEPARTMENT OF ADMINISTRATION

	2015-16
FTE positions	532.1
Operating lump sum appropriation	$ 90,860,400
Utilities	8,275,600
Arizona financial information system	7,567,800
Risk management administrative expenses	8,747,200
Risk management losses and premiums	44,362,200
Workers' compensation losses and premiums	31,159,200
Statewide information security and privacy office	873,500
State surplus property sales proceeds	1,260,000
Southwest defense contracts	25,000
Government transformation office	1,000,000
Total appropriation - department of administration	$194,130,900
Fund sources:	
State general fund	$ 10,413,800
Air quality fund	927,100
AFIS collections fund	7,567,800
Automation operations fund	24,027,800
Capital outlay stabilization fund	18,080,400
Corrections fund	574,100
Federal surplus materials revolving fund	464,100
Information technology fund	2,945,300
Motor vehicle pool revolving fund	10,156,100
Personnel division fund	12,914,000
Risk management revolving fund	91,995,400

Special employee health insurance trust fund	5,267,400
State surplus materials revolving fund	2,399,800
State web portal fund	4,542,800
Telecommunications fund	1,855,000

The amount appropriated for southwest defense contracts shall be used for distribution to a nonprofit organization that advocates for the preservation and enhancement of critical defense missions and assets in the southwest United States.

The appropriation for the automation operations fund established by section 41-711, Arizona Revised Statutes, is an estimate representing all monies, including balance forward, revenue and transfers during fiscal year 2015-2016. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation is adjusted as necessary to reflect receipts credited to the automation operations fund for automation operation center projects. Before the expenditure of any automation operations fund revenues in excess of $24,027,800 in fiscal year 2015-2016, the department of administration shall report the intended use of monies to the joint legislative budget committee.

The amounts appropriated for the state employee transportation service subsidy shall be used for up to a fifty percent subsidy of charges payable for transportation service expenses as provided in section 41-710.01, Arizona Revised Statutes, of nonuniversity state employees in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.

It is the intent of the legislature that the department not replace vehicles until an average of 120,000 miles or more.

All state surplus materials revolving fund revenues received by the department of administration in excess of $2,399,800 in fiscal year 2015-2016 are appropriated to the department. Before the expenditure of state surplus materials revolving fund receipts in excess of $2,399,800 in fiscal year 2015-2016, the department of administration shall report the intended use of monies to the joint legislative budget committee.

On or before October 1, 2015, the department shall submit a report for review by the joint legislative budget committee of the expenditures to date and progress of implementation for any monies received from the state and local implementation grant program associated with the national public safety broadband network initiative. The joint legislative budget committee may require the department to submit more frequent reports as necessary for further review.

1 Sec. 10. OFFICE OF ADMINISTRATIVE HEARINGS
2 2015-16
3 FTE positions 12.0
4 Lump sum appropriation $ 874,800
5 Fund sources:
6 State general fund $ 862,500
7 Healthcare group fund 12,300
8 Sec. 11. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS
9 2015-16
10 FTE positions 3.0
11 Lump sum appropriation $ 125,000
12 Fund sources:
13 State general fund $ 125,000
14 Sec. 12. ARIZONA DEPARTMENT OF AGRICULTURE
15 2015-16
16 FTE positions 161.0
17 Operating lump sum appropriation $ 7,884,600
18 Agricultural employment relations
19 board 23,300
20 Animal damage control 65,000
21 Red imported fire ant 23,200
22 Agricultural consulting and
23 training 128,500
24 Total appropriation - department of
25 agriculture $ 8,124,600
26 Fund sources:
27 State general fund $ 8,124,600
28 Sec. 13. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
29 2015-16
30 FTE positions 2,214.3
31 Operating lump sum appropriation $ 77,874,700
32 DES eligibility 54,874,500
33 Proposition 204 - AHCCCS
34 administration 6,863,900
35 Proposition 204 - DES eligibility 38,358,700
36 Traditional medicaid services 3,729,548,600
37 Proposition 204 services 2,417,700,600
38 Adult expansion 197,183,800
39 Children's rehabilitative services 234,866,700
40 KidsCare services 6,295,200
41 ALTCS services 1,386,588,900
42 Disproportionate share payments 5,087,100

Disproportionate share payments - voluntary match	18,784,700
Rural hospitals	22,650,000
Graduate medical education	157,312,000
Safety net care pool	137,000,000
Total appropriation and expenditure authority - Arizona health care cost containment system	$8,490,989,400
Appropriated fund sources:	
State general fund	$1,205,197,900
Budget neutrality compliance fund	3,482,900
Children's health insurance program fund	7,641,200
Prescription drug rebate fund - state	83,778,100
Tobacco products tax fund - emergency health services account	17,331,400
Tobacco tax and health care fund - medically needy account	31,180,000
Expenditure authority	7,142,377,900

Operating budget

The amounts appropriated for the department of economic security eligibility line item shall be used for intergovernmental agreements with the department of economic security for the purpose of eligibility determination and other functions. The general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.

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

Medical services

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

The Arizona health care cost containment system administration shall report to the joint legislative budget committee on or before March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum may not be more than two percent. Before implementation of any changes in capitation rates, the Arizona health care cost containment

system administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of $500,000 or more for a given fiscal year, the administration shall submit the policy changes for review by the joint legislative budget committee.

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

Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the county portion of the fiscal year 2015-2016 nonfederal portion of the costs of providing long-term care system services is $249,234,600. This amount is included in the expenditure authority fund source.

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

Any supplemental payments received in excess of $74,906,000 for nursing facilities that serve medicaid patients in fiscal year 2015-2016, including any federal matching monies, by the Arizona health care cost containment system administration are appropriated to the administration in fiscal year 2015-2016. Before the expenditure of these increased monies, the administration shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of monies that will be expended under this provision. These payments are included in the expenditure authority fund source. If the nursing facility provider assessment is not extended past September 30, 2015, the Arizona health care cost containment system administration shall revert $56,384,400 of expenditure authority for fiscal year 2015-2016, including $38,859,200 of federal medicaid authority and $17,525,200 of nursing facility provider assessment funding.

The Arizona health care cost containment system administration shall transfer up to $1,200,000 from the traditional medicaid services line item for fiscal year 2015-2016 to the attorney general for costs associated with tobacco settlement litigation.

The Arizona health care cost containment system administration shall transfer $436,000 from the traditional medicaid services line item for fiscal year 2015-2016 to the department of revenue for enforcement costs associated with the March 13, 2013 master settlement agreement with tobacco companies.

1 Payments to hospitals
2 The $5,087,100 appropriation for disproportionate share payments for
3 fiscal year 2015-2016 made pursuant to section 36-2903.01, subsection O,
4 Arizona Revised Statutes, includes $4,202,300 for the Maricopa county health
5 care district and $884,800 for private qualifying disproportionate share
6 hospitals.
7 Any monies received for disproportionate share payments from political
8 subdivisions of this state, tribal governments and any university under the
9 jurisdiction of the Arizona board of regents, and any federal monies used to
10 match those payments, that are received in fiscal year 2015-2016 by the
11 Arizona health care cost containment system administration in excess of
12 $18,784,700 are appropriated to the administration in fiscal year 2015-2016.
13 Before the expenditure of these increased monies, the administration shall
14 notify the joint legislative budget committee and the governor's office of
15 strategic planning and budgeting of the amount of monies that will be
16 expended under this provision.
17 The expenditure authority fund source includes voluntary payments made
18 from political subdivisions for payments to hospitals that operate a graduate
19 medical education program or treat low-income patients. The political
20 subdivision portions of the fiscal year 2015-2016 costs of graduate medical
21 education, disproportionate share payments - voluntary match and safety net
22 care pool line items are included in the expenditure authority fund source.
23 Any monies for graduate medical education received in fiscal year
24 2015-2016, including any federal matching monies, by the Arizona health care
25 cost containment system administration in excess of $157,312,000 are
26 appropriated to the administration in fiscal year 2015-2016. Before the
27 expenditure of these increased monies, the administration shall notify the
28 joint legislative budget committee and the governor's office of strategic
29 planning and budgeting of the amount of monies that will be expended under
30 this provision.
31 Any monies received in excess of $137,000,000 for the safety net care
32 pool by the Arizona health care cost containment system administration in
33 fiscal year 2015-2016, including any federal matching monies, are
34 appropriated to the administration in fiscal year 2015-2016. Before the
35 expenditure of these increased monies, the administration shall notify the
36 joint legislative budget committee and the governor's office of strategic
37 planning and budgeting of the amount of monies that will be expended under
38 this provision.
39 Other reports
40 On or before January 6, 2016, the Arizona health care cost containment
41 system administration shall report to the director of the joint legislative
42 budget committee the total amount of medicaid reconciliation payments and
43 penalties received on or before that date since July 1, 2015. On June 30,
44 2016, the administration shall report the same information for all of fiscal
45 year 2015-2016.

The Arizona health care cost containment system administration shall report thirty days after the end of each calendar quarter to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on the implementation of its required automation interaction with the health insurance exchange and eligibility modifications.

Sec. 14. STATE BOARD OF APPRAISAL

		2015-16
FTE positions		9.0
Lump sum appropriation	$	821,800
Fund sources:		
Board of appraisal fund	$	821,800

Sec. 15. BOARD OF ATHLETIC TRAINING

		2015-16
FTE positions		1.5
Lump sum appropriation	$	118,200
Fund sources:		
Athletic training fund	$	118,200

Sec. 16. ATTORNEY GENERAL - DEPARTMENT OF LAW

		2015-16
FTE positions		565.9
Operating lump sum appropriation	$	49,531,700
Capital postconviction prosecution		800,100
Federalism unit		1,000,000
Military airport planning		5,000
Risk management interagency service agreement		9,443,000
State grand jury		181,100
Southern Arizona drug enforcement unit		1,200,000
Tobacco enforcement		819,500
Victims' rights		3,758,600
Total appropriation - attorney general - department of law	$	66,739,000
Fund sources:		
State general fund	$	23,580,100
Antitrust enforcement revolving fund		244,300
Attorney general legal services cost allocation fund		2,087,600
Collection enforcement revolving fund		6,888,200
Consumer protection - consumer fraud revolving fund		5,106,800

Interagency service agreements fund	14,830,300
Risk management revolving fund	9,443,000
State aid to indigent defense fund	800,100
Victims' rights fund	3,758,600

In addition to the $14,830,300 appropriated from the interagency service agreements fund in fiscal year 2015-2016, an additional $800,000 and 11 FTE positions are appropriated from the interagency service agreements fund in fiscal year 2015-2016 for new or expanded interagency service agreements. The attorney general shall report to the joint legislative budget committee whenever an interagency service agreement is established that will require expenditures from the additional amount. The report shall include the name of the agency or entity with which the agreement is made, the dollar amount of the contract by fiscal year and the number of associated FTE positions.

Sec. 17. AUTOMOBILE THEFT AUTHORITY

	2015-16
FTE positions	6.0
Operating lump sum appropriation	$ 640,100
Automobile theft authority grants	4,607,700
Reimbursable programs	50,000
Total appropriation - automobile theft authority	$ 5,297,800
Fund sources:	
Automobile theft authority fund	$ 5,297,800

The automobile theft authority shall submit a report to the joint legislative budget committee for review before expending any monies for the reimbursable programs line item. The agency shall also show sufficient monies collected to cover the expenses indicated in the report.

Automobile theft authority grants shall be awarded with consideration given to areas with greater automobile theft problems and be used to combat economic automobile theft operations.

The automobile theft authority shall pay seventy-five percent of the personal services and employee-related expenses for city, town and county sworn officers who participate in the Arizona vehicle theft task force.

Sec. 18. BOARD OF BARBERS

	2015-16
FTE positions	4.0
Lump sum appropriation	$ 333,900
Fund sources:	
Board of barbers fund	$ 333,900

1 Sec. 19. BOARD OF BEHAVIORAL HEALTH EXAMINERS
2 2015-16
3 FTE positions 17.0
4 Lump sum appropriation $ 1,758,600
5 Fund sources:
6 Board of behavioral health
7 examiners fund $ 1,758,600
8 Sec. 20. STATE BOARD FOR CHARTER SCHOOLS
9 2015-16
10 FTE positions 14.0
11 Lump sum appropriation $ 1,209,200
12 Fund sources:
13 State general fund $ 1,209,200
14 Sec. 21. DEPARTMENT OF CHILD SAFETY
15 2015-16
16 FTE positions 3,057.1
17 Operating lump sum appropriation $210,174,800
18 Overtime 8,400,000
19 Attorney general legal services 19,758,000
20 Records retention staff 597,400
21 Inspections bureau 2,500,400
22 General counsel 157,300
23 Office of child welfare
24 investigations 10,771,200
25 Retention pay 1,707,000
26 Adoption services 206,301,000
27 In-home preventive support
28 services 35,214,200
29 Out-of-home support services 136,329,900
30 Emergency and residential
31 placement 76,306,300
32 Foster care placement 59,081,300
33 Independent living maintenance 3,469,300
34 Intensive family services 8,500,000
35 Permanent guardianship subsidy 12,215,300
36 Grandparent stipends 1,000,000
37 Internet crimes against children 350,000
38 Training resources 5,150,000
39 DCS child care subsidy 39,753,600
40 Total appropriation - department of
41 child safety $837,737,000

1 Fund sources:
2 State general fund $346,132,600
3 Federal child care and
4 development fund block grant 27,000,000
5 Federal temporary assistance for
6 needy families block grant 132,000,400
7 Child abuse prevention fund 1,459,100
8 Children and family services
9 training program fund 207,700
10 Child safety expenditure authority 330,937,200
11 Of the amounts appropriated for out-of-home support services, emergency
12 and residential placement and foster care placement, the department of child
13 safety may transfer up to ten percent of the total amount of federal
14 temporary assistance for needy families block grant monies appropriated to
15 the department of economic security and the department of child safety to the
16 social services block grant for use in the following line items in the
17 department of child safety: out-of-home support services, emergency and
18 residential placement and foster care placement. Before transferring federal
19 temporary assistance for needy families block grant monies to the social
20 services block grant, the department of child safety shall report the
21 proposed amount of the transfer to the director of the joint legislative
22 budget committee. This report may be in the form of an expenditure plan that
23 is submitted at the beginning of the fiscal year and updated, if necessary,
24 throughout the fiscal year.
25 The department of child safety shall provide training to any new child
26 safety FTE positions before assigning to any of these employees any client
27 caseload duties.
28 It is the intent of the legislature that the department of child safety
29 use its funding to achieve a one hundred percent investigation rate.
30 Before the expenditure of monies from the intensive family services
31 line item in fiscal year 2015-2016, the department of child safety shall
32 submit an expenditure plan for review by the joint legislative budget
33 committee. The expenditure plan shall include an estimate of any comparable
34 funding in the in-home preventive support services line item.
35 The amount appropriated for grandparent stipends shall be used for a
36 monthly stipend for a grandparent or any level of great-grandparent if a
37 dependent child is placed in that person's care pursuant to department
38 guidelines.
39 On or before December 31, 2015, the department of child safety shall
40 report to the joint legislative budget committee on its progress in
41 implementing the auditor general's recommendations for transportation
42 services and emergency and residential placement.

It is the intent of the legislature that the funding in the in-home preventive support services line item be used for families whose children are at risk of out-of-home placement due to abuse, neglect or dependency, while the funding in the out-of-home support services line item is for children in out-of-home placements.

On or before September 30, 2015, the department shall submit an expenditure plan for the internet crimes against children appropriation for review by the joint legislative budget committee.

The appropriation for the office of child welfare investigations is solely for the costs of employees directly hired by the office of child welfare investigations. At least thirty days before any transfer into or out of the office of child welfare investigations line item, the department shall report the proposed transfer to the director of the joint legislative budget committee.

For the purposes of this section, "backlog" or "backlog cases" means nonactive cases for which documentation has not been entered in the child welfare automated system for at least sixty days and for which services have not been authorized for at least sixty days.

The fiscal year 2015-2016 amounts appropriated to the department of child safety include increases of the following amounts in the following line items to address backlog cases:

1. Overtime: $0 from the state general fund.

2. In-home preventive support services: $2,782,100 in fiscal year 2015-2016 and $0 in fiscal year 2016-2017 from the state general fund.

3. Out-of-home support services: $5,082,200 in fiscal year 2015-2016 and $0 in fiscal year 2016-2017 from the state general fund.

4. Foster care placement: $4,543,900 in fiscal year 2015-2016 and $0 in fiscal year 2016-2017 from the state general fund.

The appropriations to address back log cases are based on the executive branch's May 2014 estimates.

The department of child safety shall forward a monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee on or before the thirtieth of the following month. The report shall include a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

Sec. 22. STATE BOARD OF CHIROPRACTIC EXAMINERS

		2015-16
FTE positions		5.0
Lump sum appropriation	$	450,600
Fund sources:		
Board of chiropractic examiners fund	$	450,600

Sec. 23. ARIZONA COMMUNITY COLLEGES

	2015-16
Equalization aid	
Cochise	$ 4,332,800
Graham	14,538,800
Navajo	5,849,400
Total - equalization aid	$ 24,721,000
Operating state aid	
Cochise	$ 5,206,000
Coconino	1,771,200
Gila	368,100
Graham	2,175,600
Mohave	1,524,000
Navajo	1,582,100
Pinal	1,903,500
Santa Cruz	57,300
Yavapai	890,300
Yuma/La Paz	2,702,500
Total - operating state aid	$ 18,180,600
STEM and workforce programs state aid	
Cochise	$ 1,150,000
Coconino	423,200
Gila	160,900
Graham	569,500
Mohave	577,700
Navajo	345,500
Pinal	96,500
Santa Cruz	53,100
Yavapai	805,700
Yuma/La Paz	867,300
Total - STEM and workforce programs state aid	$ 5,049,400
Rural county reimbursement subsidy	$ 1,273,800
Total appropriation - Arizona community colleges	$ 49,224,800
Fund sources:	
State general fund	$ 49,224,800

Of the $1,273,800 appropriated to the rural county reimbursement subsidy line item, Apache county receives $699,300 and Greenlee county receives $574,500.

Sec. 24. REGISTRAR OF CONTRACTORS

	2015-16
FTE positions	105.6
Operating lump sum appropriation	$ 11,179,100

Office of administrative hearings costs	1,017,600
Total appropriation - registrar of contractors	$ 12,196,700
Fund sources:	
Registrar of contractors fund	$ 12,196,700

Any transfer to or from the amount appropriated for the office of administrative hearings costs line item requires review by the joint legislative budget committee.

Sec. 25. CORPORATION COMMISSION

	2015-16
FTE positions	300.9
Operating lump sum appropriation	$ 26,303,500
Corporation filings, same day service	400,400
Utilities audits, studies, investigations and hearings	380,000*
Total appropriation - corporation commission	$ 27,083,900
Fund sources:	
State general fund	$ 609,900
Arizona arts trust fund	50,100
Investment management regulatory and enforcement fund	715,700
Public access fund	6,567,200
Securities regulatory and enforcement fund	4,919,200
Utility regulation revolving fund	14,221,800

The $400,400 appropriated from the public access fund for the corporation filings, same day service line item reverts to the public access fund established by section 10-122.01, Arizona Revised Statutes, at the end of fiscal year 2015-2016 if the commission has not established a same day service pursuant to section 10-122, Arizona Revised Statutes.

Sec. 26. STATE DEPARTMENT OF CORRECTIONS

	2015-16
FTE positions	9,534.0
Operating lump sum appropriation	$ 787,844,500
Private prison per diem	151,518,600
Inmate health care contracted services	142,003,900
Leap year	929,100
Total appropriation - state department of corrections	$1,082,296,100

Fund sources:	
State general fund	$1,035,423,600
State education fund for correctional education	676,900
Alcohol abuse treatment fund	554,400
Penitentiary land fund	979,200
State charitable, penal and reformatory institutions land fund	1,860,000
Corrections fund	27,517,600
Transition program fund	1,600,000
Prison construction and operations fund	13,684,400

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

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

The state department of corrections shall provide a report on bed capacity to the joint legislative budget committee for its review on or before August 1, 2015. The report shall reflect the bed capacity for each security classification by gender at each state-run and private institution, divided by rated and total beds. The report shall include bed capacity data for June 30 of the previous fiscal year, June 30 of the current fiscal year and June 30 of the subsequent fiscal year, as well as the reasons for any change within that time period. Within the total bed count, the department shall provide the number of temporary and special use beds. If the department develops a plan subsequent to its August 1 report to close state-operated prison rated beds or cancel or not renew contracts for privately operated prison beds, the state department of corrections shall submit a bed plan detailing the proposed bed closures for review by the joint legislative budget committee before implementing these changes.

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

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

Before the expenditure of any state education fund for correctional education receipts in excess of $676,900, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

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

Sec. 27. BOARD OF COSMETOLOGY

		2015-16
FTE positions		24.5
Lump sum appropriation	$	1,806,900
Fund sources:		
Board of cosmetology fund	$	1,806,900

Sec. 28. ARIZONA CRIMINAL JUSTICE COMMISSION

		2015-16
FTE positions		9.0
Operating lump sum appropriation	$	889,000
State aid to county attorneys		973,600
Victim compensation and assistance		4,092,500
Total appropriation - Arizona criminal justice commission	$	5,955,100
Fund sources:		
Criminal justice enhancement fund	$	650,100
Drug and gang prevention resource center fund		238,900
State aid to county attorneys fund		973,600
Victim compensation and assistance fund		4,092,500

All victim compensation and assistance receipts received by the Arizona criminal justice commission in excess of $4,092,500 in fiscal year 2015-2016 are appropriated to the crime victims program. Before the expenditure of any victim compensation and assistance receipts in excess of $4,092,500 in fiscal year 2015-2016, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.

All state aid to county attorneys fund established by section 11-539, Arizona Revised Statutes, receipts received by the Arizona criminal justice commission in excess of $973,600 in fiscal year 2015-2016 are appropriated to the state aid to the county attorneys program. Before the expenditure of any state aid to county attorneys fund receipts in excess of $973,600, the Arizona criminal justice commission shall report the intended use of the monies to the joint legislative budget committee.

Sec. 29. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

	2015-16
FTE positions	541.2
Administration/statewide	$ 4,209,400
Phoenix day school for the deaf	10,001,900
Tucson campus	14,353,600
Regional cooperatives	832,800
Preschool/outreach programs	4,256,600
School bus replacement	738,000
Voucher fund adjustment	(1,000,000)
Total appropriation - Arizona state schools for the deaf and the blind	$ 33,392,300
Fund sources:	
State general fund	$ 21,802,100
Schools for the deaf and the blind fund	11,590,200

Before the expenditure of any schools for the deaf and the blind fund monies in excess of $11,590,200 in fiscal year 2015-2016, the Arizona state schools for the deaf and the blind shall report to the joint legislative budget committee the intended use of the monies.

Sec. 30. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

	2015-16
FTE positions	15.0
Lump sum appropriation	$ 4,312,200
Fund sources:	
Telecommunication fund for the deaf	$ 4,312,200

Sec. 31. STATE BOARD OF DENTAL EXAMINERS

	2015-16
FTE positions	11.0
Lump sum appropriation	$ 1,215,100
Fund sources:	
Dental board fund	$ 1,215,100

Sec. 32. DEPARTMENT OF ECONOMIC SECURITY

	2015-16
FTE positions	4,147.7
Operating lump sum appropriation	$153,967,300
Administration	
Attorney general legal services	11,141,400
Aging and adult services	
Adult services	7,924,100
Community and emergency services	3,724,000
Coordinated homeless	2,522,600
Domestic violence prevention	12,123,700
Benefits and medical eligibility	
Temporary assistance for needy families cash benefits	44,999,400
Coordinated hunger	1,754,600
Tribal pass-through funding	4,680,300
Child support enforcement	
County participation	6,740,200
Developmental disabilities	
DDD operating lump sum	47,894,300
Case management - medicaid	51,250,100
Home and community based services - medicaid	880,792,900
Institutional services - medicaid	20,759,900
Medical services - medicaid	151,705,200
Arizona training program at Coolidge - medicaid	15,912,300
Medicare clawback payments	2,928,700
Case management - state-only	3,928,600
Home and community based services - state-only	21,296,700
State-funded long-term care services	26,554,800
Employment and rehabilitation services	
JOBS	13,005,600
Child care subsidy	98,396,600
Independent living rehabilitation services	1,289,400
Rehabilitation services	3,799,100
Workforce investment act services	51,654,600
Total appropriation - department of economic security	$1,640,746,400

Fund sources:

State general fund	$ 475,195,500
Department long-term care system fund	31,225,400
Federal child care and development fund block grant	107,773,600
Federal temporary assistance for needy families block grant	86,727,700
Public assistance collections fund	427,200
Special administration fund	2,830,600
Spinal and head injuries trust fund	1,874,900
Statewide cost allocation plan fund	1,000,000
Child support enforcement administration fund	16,802,200
Domestic violence shelter fund	2,220,000
Workforce investment act grant	56,060,800
Child support enforcement administration fund expenditure authority	40,409,800
Developmental disabilities medicaid expenditure authority	818,198,700

Aging and adult services

All domestic violence shelter fund monies above $2,220,000 received by the department of economic security are appropriated for the domestic violence prevention line item. Before the expenditure of these increased monies, the department of economic security shall report the intended use of monies above $2,220,000 to the joint legislative budget committee.

The department of economic security shall report to the joint legislative budget committee on the amount of state and federal monies available statewide for domestic violence funding on or before December 15, 2015. The report shall include, at a minimum, the amount of monies available and the state fiscal agent receiving those monies.

Benefits and medical eligibility

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

Child support enforcement

All state shares of retained earnings, fees and federal incentives above $16,802,200 received by the division of child support enforcement are appropriated for operating expenditures. New full-time equivalent positions may be authorized with the increased funding. Before the expenditure of

these increased monies, the department of economic security shall report the intended use of the monies to the joint legislative budget committee.

Developmental disabilities

The department of economic security shall report all new placements into a state-owned ICF-MR or the Arizona training program at Coolidge campus in fiscal year 2015-2016 to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee and the reason why this placement, rather than a placement into a privately run facility for persons with developmental disabilities, was deemed as the most appropriate placement. The department shall also report if no new placements were made. The department shall make this report available on or before July 15, 2016.

Any fiscal year 2014-2015 balance in the department long-term care system fund established pursuant to section 36-2913, Arizona Revised Statutes, that is unexpended and unencumbered on June 30, 2016 after administrative adjustments reverts to the state general fund subject to approval by the Arizona health care cost containment system administration.

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

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

Before transferring any money in or out of the case management - medicaid, case management - state-only, and DDD operating lump sum line items, the department of economic security shall submit a report for review by the joint legislative budget committee.

1 Employment and rehabilitation services
2 It is the intent of the legislature that the combined number of
3 children in child care assistance authorized pursuant to section 46-803,
4 subsections D and F, Arizona Revised Statutes, be maintained throughout the
5 year at a minimum of 8,500 children. The department shall prioritize child
6 care assistance for families who qualify for assistance pursuant to section
7 46-803, subsection F, Arizona Revised Statutes, on the waiting lists
8 established pursuant to section 46-803, subsection I, Arizona Revised
9 Statutes.
10 All federal workforce investment act monies that are received by this
11 state in excess of $56,060,800 are appropriated to the workforce investment
12 act services line item. Before the expenditure of these increased monies,
13 the department of economic security shall report the intended use of monies
14 above $56,060,800 to the joint legislative budget committee.
15 Departmentwide
16 The above appropriations are in addition to monies granted to the state
17 by the federal government for the same purposes but are deemed to include the
18 sums deposited in the state treasury to the credit of the department of
19 economic security pursuant to section 42-5029, Arizona Revised Statutes.
20 The department of economic security shall forward a monthly report
21 comparing total expenditures for the month and year-to-date as compared to
22 prior year totals to the president of the senate, the speaker of the house of
23 representatives, the chairpersons of the senate and house of representatives
24 appropriations committees and the director of the joint legislative budget
25 committee on or before the thirtieth of the following month. The report
26 shall include an estimate of potential shortfalls in entitlement programs and
27 potential federal and other monies, such as the statewide assessment for
28 indirect costs, and any projected surplus in state-supported programs that
29 may be available to offset these shortfalls and a plan, if necessary, for
30 eliminating any shortfall without a supplemental appropriation.
31 Any federal temporary assistance for needy families block grant monies
32 received in fiscal year 2015-2016, including the beginning balance, by the
33 department of economic security in excess of $218,728,100 is appropriated to
34 the department in fiscal year 2015-2016. For every dollar the department of
35 economic security receives in federal temporary assistance for needy families
36 block grant monies in fiscal year 2015-2016 in excess of the $218,728,100
37 appropriated to the department of economic security and the department of
38 child safety, minus any fiscal year 2014-2015 revertments expected to be
39 spent as administrative adjustments in fiscal year 2015-2016, the state
40 general fund appropriations for the department of economic security and the
41 department of child safety are proportionally reduced by a corresponding
42 dollar amount. The department of economic security shall report to the joint
43 legislative budget committee and the governor's office of strategic planning
44 and budgeting on or before September 1, 2015 its estimate of how much of the
45 fiscal year 2014-2015 revertments of the department of economic security and

the department of child safety will be spent as administrative adjustments in fiscal year 2015-2016 and excluded from the total amount of federal temporary assistance for needy families block grant monies. On or before June 30, 2016, the department of economic security shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of state general fund monies, if any, that will not be expended under this provision.

Sec. 33. STATE BOARD OF EDUCATION

	2015-16
FTE positions	11.0
Lump sum appropriation	$ 1,705,000
Fund sources:	
State general fund	$ 1,325,200
Teacher certification fund	379,800

Sec. 34. SUPERINTENDENT OF PUBLIC INSTRUCTION

	2015-16
FTE positions	164.9
Operating lump sum appropriation	$ 8,802,100
Fund sources:	
State general fund	$ 8,263,800
Teacher certification fund	138,200
Department of education empowerment scholarship account fund	400,100

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

The appropriation from the department of education empowerment scholarship account fund includes $100,000 in funding for one-time information technology changes.

Basic state aid	$2,441,592,500
Fund sources:	
State general fund	$2,394,233,000
Permanent state school fund	47,359,500

The above appropriation provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated $47,359,500 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2015-2016.

Receipts derived from the permanent state school fund and any other nonstate general fund revenue source that is dedicated to fund basic state aid shall be expended, whenever possible, before expenditure of state general fund monies.

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

Additional inflation	74,394,000

The department of education shall allocate the $74,394,000 amount appropriated through this line item to school districts and charter schools in fiscal year 2015-2016 in the same manner that it would allocate the monies if the monies were for an additional increase of $54.31 in the base level defined for fiscal year 2015-2016 in section 15-901, subsection B, paragraph 2, Arizona Revised Statutes, and increase budget limits accordingly. The department shall also increase the budget limits of a school district that is not eligible to receive basic state aid funding for fiscal year 2015-2016 by the amount that the district's budget limits would be increased under this line item if the school district was eligible to receive basic state aid funding for fiscal year 2015-2016. The additional inflation amount is not an increase in the base level as defined in section 15-901, Arizona Revised Statutes.

K-3 reading	39,917,300

The appropriated amount is for funding costs of the K-3 reading weight established in section 15-943, Arizona Revised Statutes.

Additional state aid - homeowner's rebate	359,303,700
Additional state aid - 1 percent cap	7,380,300
Special education fund	32,242,100
Other state aid to districts	983,900
Accountability and achievement testing	$ 16,423,600
Fund sources:	
State general fund	$ 9,423,600
Proposition 301 fund	7,000,000

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

Adult education	4,500,000
Alternative teacher development program	500,000
Arizona structured English immersion fund	4,960,400
English learner administration	6,516,800

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

JTED soft capital and equipment	$ 1,000,000

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

School safety program	3,646,500
State block grant for vocational education	11,576,300
Teacher certification	$ 1,842,500
Fund sources:	
Teacher certification fund	$ 1,842,500
Total appropriation - superintendent of public instruction	$3,015,582,000
Fund sources:	
State general fund	$2,958,841,700
Proposition 301 fund	7,000,000
Permanent state school fund	47,359,500
Teacher certification fund	1,980,700
Department of education empowerment scholarship account fund	400,100

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

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

Sec. 35. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

	2015-16
FTE positions	63.1
Administration	$ 1,806,200
Emergency management	862,200
Military affairs	1,543,300
Matching funds	1,540,900
Total appropriation - department of emergency and military affairs	$ 5,752,600
Fund sources:	
State general fund	$ 5,619,900
Emergency response fund	132,700

The department of emergency and military affairs appropriation includes $215,000 for service contracts. This amount is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all fiscal year 2015-2016 monies remaining unexpended and unencumbered on December 31, 2016 revert to the state general fund.

Sec. 36. DEPARTMENT OF ENVIRONMENTAL QUALITY

	2015-16
FTE positions	322.0
Operating lump sum appropriation	$ 46,322,300
Safe drinking water program	1,800,000
Emissions control contractor payment	21,119,500
Total appropriation - department of environmental quality	$ 69,241,800

Fund sources:

Air permits administration fund	$ 7,145,300
Air quality fund	5,377,200
Emissions inspection fund	28,392,900
Hazardous waste management fund	1,743,000
Indirect cost recovery fund	13,410,100
Recycling fund	1,359,700
Solid waste fee fund	1,243,000
Underground storage tank revolving fund	22,000
Water quality fee fund	10,548,600

Before the expenditure of any monies from the safe drinking water program line item, the department of environmental quality shall submit an expenditure plan for review by the joint legislative budget committee.

Pursuant to section 49-282, Arizona Revised Statutes, the department of environmental quality shall submit a fiscal year 2016-2017 budget for the water quality assurance revolving fund before September 1, 2015, for review by the senate and house of representatives appropriations committees.

The department of environmental quality shall report annually on the progress of WQARF activities, including emergency response, priority site remediation, cost recovery activity, revenue and expenditure activity and other WQARF-funded program activity. This report shall also include a budget for the WQARF program that is developed in consultation with the WQARF advisory board. The department shall submit the fiscal year 2015-2016 report to the joint legislative budget committee on or before September 1, 2015. This budget shall specify the monies budgeted for each listed site during fiscal year 2015-2016. In addition, the department and the advisory board shall prepare and submit to the joint legislative budget committee, on or before October 2, 2015, a report in a table format summarizing the current progress on remediation of each listed site on the WQARF registry. The table shall include the stage of remediation for each site at the end of fiscal year 2014-2015, indicate whether the current stage of remediation is anticipated to be completed in fiscal year 2015-2016 and indicate the anticipated stage of remediation at each listed site at the end of fiscal year 2015-2016, assuming fiscal year 2015-2016 funding levels. The department and advisory board may include other relevant information about the listed sites in the table.

All air permits administration revenues received by the department of environmental quality in excess of $7,145,300 in fiscal year 2015-2016 are appropriated to the department. Before the expenditure of air permits administration receipts in excess of $7,145,300 in fiscal year 2015-2016, the department of environmental quality shall report the intended use of the monies to the joint legislative budget committee.

All indirect cost recovery fund revenues received by the department of environmental quality in excess of $13,410,100 in fiscal year 2015-2016 are appropriated to the department. Before the expenditure of indirect cost recovery fund receipts in excess of $13,410,100 in fiscal year 2015-2016, the department of environmental quality shall report the intended use of the monies to the joint legislative budget committee.

Sec. 37. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

		2015-16
FTE positions		4.0
Lump sum appropriation	$	188,600
Fund sources:		
State general fund	$	188,600

Sec. 38. STATE BOARD OF EQUALIZATION

		2015-16
FTE positions		7.0
Lump sum appropriation	$	641,800
Fund sources:		
State general fund	$	641,800

Sec. 39. BOARD OF EXECUTIVE CLEMENCY

		2015-16
FTE positions		14.0
Lump sum appropriation	$	958,600
Fund sources:		
State general fund	$	958,600

The board of executive clemency shall report to the staff directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on or before November 1, 2015 on the total number and types of cases it reviewed in fiscal year 2014-2015.

Sec. 40. ARIZONA EXPOSITION AND STATE FAIR BOARD

		2015-16
FTE positions		184.0
Lump sum appropriation	$	11,620,800
Fund sources:		
Arizona exposition and state fair fund	$	11,620,800

Sec. 41. DEPARTMENT OF FINANCIAL INSTITUTIONS

		2015-16
FTE positions		60.1
Lump sum appropriation	$	4,480,900
Fund sources:		
State general fund	$	3,020,200
Financial services fund		1,460,700

The department of financial institutions shall assess and set fees to ensure that monies deposited in the state general fund will equal or exceed its expenditure from the state general fund.

Sec. 42. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

	2015-16
FTE positions	48.0
Operating lump sum appropriation	$ 2,031,100
Fire school	174,200
Total appropriation - department of fire, building and life safety	$ 2,205,300
Fund sources:	
State general fund	$ 2,205,300

Sec. 43. STATE FORESTER

	2015-16
FTE positions	55.0
Operating lump sum appropriation	$ 2,726,100
Environmental county grants	250,000
Inmate fire crews	695,700
Fire suppression	1,000,000
Hazardous vegetation removal	1,350,000
Total appropriation - state forester	$ 6,021,800
Fund sources:	
State general fund	$ 6,021,800

Sec. 44. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

	2015-16
FTE positions	4.0
Lump sum appropriation	$ 353,700
Fund sources:	
Board of funeral directors' and embalmers' fund	$ 353,700

Sec. 45. ARIZONA GAME AND FISH DEPARTMENT

	2015-16
FTE positions	273.5
Operating lump sum appropriation	$ 40,910,400
Watercraft grant program	1,000,000
Total appropriation - game and fish department	$ 41,910,400
Fund sources:	
Capital improvement fund	$ 999,700
Game and fish fund	35,419,600
Wildlife endowment fund	16,000
Watercraft licensing fund	5,128,300
Game, non-game, fish and endangered species fund	346,800

1 Sec. 46. DEPARTMENT OF GAMING
2 | | 2015-16 |
|---|---|
| 3 FTE positions | 115.3 |
| 4 Operating lump sum appropriation | $ 8,318,400 |
| 5 Additional operating expenses | 800,400 |
| 6 Casino operations certification | 2,104,900 |
| 7 Problem gambling | 2,292,500 |
| 8 Total appropriation - department of gaming | $ 13,516,200 |
| 9 Fund sources: | |
| 10 Tribal-state compact fund | $ 2,104,900 |
| 11 Arizona benefits fund | 11,111,300 |
| 12 State lottery fund | 300,000 |

13 The department of gaming shall report to the staff directors of the
14 joint legislative budget committee and the governor's office of strategic
15 planning and budgeting on or before December 1, 2015 on the expected amount
16 and purpose of expenditures from the additional operating expenses line item
17 for fiscal year 2015-2016. The report shall include the projected line item
18 detail.
19 Sec. 47. ARIZONA GEOLOGICAL SURVEY
20 | | 2015-16 |
|---|---|
| 21 FTE positions | 10.3 |
| 22 Lump sum appropriation | $ 941,700 |
| 23 Fund sources: | |
| 24 State general fund | $ 941,700 |

25 Sec. 48. OFFICE OF THE GOVERNOR
26 | | 2015-16 |
|---|---|
| 27 Lump sum appropriation | $ 6,920,100* |
| 28 Fund sources: | |
| 29 State general fund | $ 6,920,100 |

30 Included in the lump sum appropriation of $6,920,100 for fiscal year
31 2015-2016 is $10,000 for the purchase of mementos and items for visiting
32 officials.
33 Sec. 49. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING
34 | | 2015-16 |
|---|---|
| 35 FTE positions | 22.0 |
| 36 Lump sum appropriation | $ 1,994,000* |
| 37 Fund sources: | |
| 38 State general fund | $ 1,994,000 |

39 Sec. 50. DEPARTMENT OF HEALTH SERVICES
40 | | 2015-16 |
|---|---|
| 41 FTE positions | 1,176.7 |
| 42 Operating lump sum appropriation | $ 65,700,500 |

Public health/family health	
Adult cystic fibrosis	105,200
AIDS reporting and surveillance	1,000,000
Alzheimer's disease research	1,125,000
Breast and cervical cancer and bone density screening	1,369,400
County tuberculosis provider care and control	590,700
Emergency medical services local allocation	442,000
Folic acid	400,000
High-risk perinatal services	2,543,400
Newborn screening program	6,307,700
Nonrenal disease management	198,000
Nursing care special projects	100,000
Poison control centers funding	990,000
Renal dental care and nutrition supplements	300,000
Arizona state hospital	
Arizona state hospital - operating	59,566,200
Arizona state hospital - restoration to competency	900,000
Arizona state hospital - sexually violent persons	9,731,700
Behavioral health	
Crisis services	16,391,100
Medicaid behavioral health - adult expansion	41,459,300
Medicaid behavioral health - comprehensive medical and dental program	174,324,200
Medicaid behavioral health - proposition 204	533,810,200
Medicaid behavioral health - traditional	873,803,300
Medicaid insurance premium payments	33,167,700
Medicare clawback payments	14,228,600
Nonmedicaid seriously mentally ill services	78,846,900
Proposition 204 administration	6,446,700
Supported housing	5,324,800
Total appropriation and expenditure authority - department of health services	$1,929,172,600

Fund sources:

State general fund	$ 603,053,500
Arizona state hospital fund	9,588,600
Arizona state hospital land earnings fund	650,000
Capital outlay stabilization fund	1,559,800
Child fatality review fund	94,800
Emergency medical services operating fund	5,372,400
Environmental laboratory licensure revolving fund	927,100
Federal child care and development fund block grant	879,400
Health services licensing fund	9,275,100
Indirect cost fund	8,573,500
Newborn screening program fund	6,739,600
Nursing care institution resident protection revolving fund	138,200
Substance abuse services fund	2,250,000
Tobacco tax and health care fund - health research account	1,000,000
Tobacco tax and health care fund - medically needy account	35,467,000
Vital records electronic systems fund	3,635,500
Federal medicaid authority	1,239,968,100

Public health/family health

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

Of the $1,125,000 for Alzheimer's disease research, $1,000,000 of that amount is from the tobacco tax and health care fund - health research account established by section 36-773, Arizona Revised Statutes.

Arizona state hospital

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

Behavioral health

It is the intent of the legislature that the percentage attributable to administration/profit for the regional behavioral health authority in Maricopa county is nine percent of the overall capitation rate.

The department of health services shall report to the joint legislative budget committee on or before December 31, 2015, and June 30, 2016 on the progress in implementing the Arnold v. Sarn lawsuit settlement. The report shall include at a minimum the department's progress toward meeting all criteria specified in the 2014 joint stipulation, including the development and estimated cost of additional behavioral health service capacity in Maricopa county as follows: supported housing services for 1,200 class members, supported employment services for 750 class members, 8 assertive community treatment teams and consumer operated services for 1,500 class members. The department shall also report the amounts, by fund source, it plans to use to pay for expanded services.

The amounts included in the proposition 204 administration and medicaid behavioral health - proposition 204 line items include all available sources of funding consistent with section 36-2901.01, subsection B, Arizona Revised Statutes.

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

On or before January 6, 2016, the department of health services shall report to the director of the joint legislative budget committee the total amount of medicaid reconciliation payments and penalties received on or before that date since July 1, 2015. On June 30, 2016, the department shall report the same information for all of fiscal year 2015-2016.

Departmentwide

On or before November 1 of each year, the department of health services shall report to the joint legislative budget committee the revenues, expenditures and ending balances of the department's intergovernmental/interagency service agreements fund from the previous, current and subsequent fiscal years.

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

Sec. 51. ARIZONA HISTORICAL SOCIETY

		2015-16
FTE positions		51.9
Operating lump sum appropriation	$	2,117,300
Arizona experience museum		428,300
Field services and grants		66,000
Papago park museum		544,400
Total appropriation - Arizona historical society	$	3,156,000
Fund sources:		
State general fund	$	3,156,000

Sec. 52. PRESCOTT HISTORICAL SOCIETY

		2015-16
FTE positions		13.0
Lump sum appropriation	$	826,300
Fund sources:		
State general fund	$	826,300

Sec. 53. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

		2015-16
FTE positions		1.0
Lump sum appropriation	$	102,100
Fund sources:		
Board of homeopathic and integrated medicine examiners' fund	$	102,100

Sec. 54. ARIZONA DEPARTMENT OF HOUSING

		2015-16
FTE positions		3.0
Lump sum appropriation	$	314,600
Fund sources:		
Housing trust fund	$	314,600

1 Sec. 55. INDEPENDENT REDISTRICTING COMMISSION
2 2015-16
3 Lump sum appropriation $ 1,115,300
4 Fund sources:
5 State general fund $ 1,115,300
6 Sec. 56. ARIZONA COMMISSION OF INDIAN AFFAIRS
7 2015-16
8 FTE positions 3.0
9 Lump sum appropriation $ 56,900
10 Fund sources:
11 State general fund $ 56,900
12 Sec. 57. INDUSTRIAL COMMISSION OF ARIZONA
13 2015-16
14 FTE positions 235.6
15 Lump sum appropriation $ 19,994,800
16 Fund sources:
17 Administrative fund $ 19,994,800
18 Sec. 58. DEPARTMENT OF INSURANCE
19 2015-16
20 FTE positions 95.5
21 Lump sum appropriation $ 5,883,300
22 Fund sources:
23 State general fund $ 5,883,300
24 Sec. 59. ARIZONA JUDICIARY
25 2015-16
26 Supreme court
27 FTE positions 175.0
28 Operating lump sum appropriation $ 13,219,300
29 Automation 16,620,600
30 County reimbursements 187,900
31 Court appointed special advocate 2,962,800
32 Domestic relations 639,100
33 State foster care review board 3,555,900
34 Commission on judicial conduct 522,500
35 Judicial nominations and
36 performance review 428,500
37 Model court 447,600
38 State aid 5,648,000
39 Total appropriation - supreme court $ 44,232,200
40 Fund sources:
41 State general fund $ 15,303,000
42 Confidential intermediary and
43 fiduciary fund 488,200

Court appointed special advocate fund	2,941,100
Criminal justice enhancement fund	4,358,200
Defensive driving school fund	4,194,700
Judicial collection enhancement fund	14,002,400
State aid to the courts fund	2,944,600

On or before September 1, 2015, the supreme court shall report to the joint legislative budget committee on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects receiving or anticipated to receive state monies in the current or next two fiscal years as well as a description of each project, the number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multiyear cost by fund source and budget line item, including any prior year, current year and future year expenditures.

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

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

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

Court of appeals

FTE positions	136.8
Division I	$ 10,039,900
Division II	$ 4,340,300
Total appropriation - court of appeals	$ 14,380,200
Fund sources:	
State general fund	$ 14,380,200

Of the 136.8 FTE positions for fiscal year 2015-2016, 98.3 FTE positions are for Division I and 38.5 FTE positions are for Division II.

Superior court

FTE positions	137.5
Operating lump sum appropriation	$ 4,567,300
Judges compensation	8,231,000
Centralized service payments	4,128,000
Adult standard probation	15,109,200
Adult intensive probation	9,930,000

Community punishment	2,310,300
Interstate compact	426,700
Drug court	1,013,600
Juvenile standard probation	3,955,700
Juvenile intensive probation	6,002,700
Juvenile treatment services	20,497,800
Juvenile family counseling	660,400
Juvenile crime reduction	3,308,000
Juvenile diversion consequences	8,539,400
Special water master	220,000
Total appropriation - superior court	$ 88,900,100
Fund sources:	
State general fund	$ 76,721,900
Criminal justice enhancement fund	5,648,800
Drug treatment and education fund	500,200
Judicial collection enhancement fund	6,029,200

Of the 137.5 FTE positions, 82 FTE positions represent superior court judges in counties with a population of less than two million persons. One-half of their salaries are provided by state general fund appropriations pursuant to section 12-128, Arizona Revised Statutes. This is not meant to limit the counties' ability to add judges pursuant to section 12-121, Arizona Revised Statutes.

Up to 4.6 percent of the amounts appropriated for juvenile treatment services and juvenile diversion consequences may be retained and expended by the supreme court to administer the programs established pursuant to section 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The remaining portion of the juvenile treatment services and juvenile diversion consequences appropriations shall be deposited in the juvenile probation services fund established by section 8-322, Arizona Revised Statutes.

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2003-2004 expenditure levels for each probation program. State probation monies are not intended to supplant county dollars for probation programs.

On or before November 1, 2015, the administrative office of the courts shall report to the joint legislative budget committee the fiscal year 2014-2015 actual, fiscal year 2015-2016 estimated and fiscal year 2016-2017 requested amounts for the following:

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

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

3. The amount of monies from the adult standard, adult intensive, juvenile standard and juvenile intensive probation line items that the office does not distribute as direct aid to counties. The report shall delineate how the office expends these monies that are not distributed as direct aid to counties.

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

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

Sec. 60. DEPARTMENT OF JUVENILE CORRECTIONS

	2015-16
FTE positions	738.5
Lump sum appropriation	$ 43,407,700
Fund sources:	
State general fund	$ 27,264,500
Department of juvenile corrections local cost sharing fund	12,000,000
State charitable, penal and reformatory institutions land fund	2,000,000
Criminal justice enhancement fund	530,600
State education fund for committed youth	1,612,600

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

Sec. 61. STATE LAND DEPARTMENT

	2015-16
FTE positions	129.7
Operating lump sum appropriation	$ 15,208,700
Natural resource conservation districts	650,000
CAP user fees	737,800
Due diligence fund	500,000
Total appropriation - state land department	$ 17,096,500
Fund sources:	
State general fund	$ 12,574,000
Environmental special plate fund	260,000
Due diligence fund	500,000
Trust land management fund	3,762,500

The appropriation includes $737,800 for central Arizona project user fees in fiscal year 2015-2016. For fiscal year 2015-2016, from municipalities that assume their allocation of central Arizona project water for every dollar received as reimbursement to the state for past central Arizona water conservation district payments, one dollar reverts to the state general fund in the year that the reimbursement is collected.

Of the amount appropriated for natural resource conservation districts in fiscal year 2015-2016, $30,000 shall be used to provide grants to natural resource conservation districts environmental education centers.

Sec. 62. LEGISLATURE

	2015-16
Senate	
Lump sum appropriation	$ 8,283,800*
Fund sources:	
State general fund	$ 8,283,800

Included in the lump sum appropriation of $8,283,800 for fiscal year 2015-2016 is $1,000 for the purchase of mementos and items for visiting officials.

House of representatives	
Lump sum appropriation	$ 13,372,200*
Fund sources:	
State general fund	$ 13,372,200

Included in the lump sum appropriation of $13,372,200 for fiscal year 2015-2016 is $1,000 for the purchase of mementos and items for visiting officials.

Legislative council

FTE positions	49.0
Operating lump sum appropriation	$ 7,420,400
Ombudsman-citizens aide office	828,500
Total appropriation - legislative council	$ 8,248,900*
Fund sources:	
State general fund	$ 8,248,900

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

It is the intent of the legislature that the ombudsman-citizens aide prioritize the investigation and processing of complaints relating to the department of child safety.

Joint legislative budget committee

FTE positions	29.0
Lump sum appropriation	$ 2,493,000*
Fund sources:	
State general fund	$ 2,493,000

Auditor general

FTE positions	184.8
Lump sum appropriation	$ 17,996,400*
Fund sources:	
State general fund	$ 17,996,400

Included in the lump sum appropriation is funding to pay state rent at the statewide rate.

Sec. 63. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

	2015-16
FTE positions	45.2
Operating lump sum appropriation	$ 2,962,500
Licensing replacement system	400,000
Total appropriation - department of liquor licenses and control	$ 3,362,500
Fund sources:	
Liquor licenses fund	$ 3,362,500

Sec. 64. ARIZONA STATE LOTTERY COMMISSION

	2015-16
FTE positions	98.8
Operating lump sum appropriation	$ 8,421,600
Advertising	15,500,000
Total appropriation - Arizona state lottery commission	$ 23,921,600

Fund source:

State lottery fund $ 23,921,600

An amount equal to twenty percent of tab ticket sales is appropriated for payment of sales commissions to charitable organizations. This amount is currently estimated to be $969,000 in fiscal year 2015-2016.

An amount equal to 3.6 percent of actual instant ticket sales is appropriated for the printing of instant tickets or for contractual obligations concerning instant ticket distribution. This amount is currently estimated to be $20,118,800 in fiscal year 2015-2016.

An amount equal to a percentage of actual online game sales as determined by contract is appropriated for payment of online vendor fees. This amount is currently estimated to be $9,519,900, or 3.7 percent of actual online ticket sales in fiscal year 2015-2016.

An amount equal to 6.5 percent of gross lottery game sales, less tab tickets, is appropriated for payment of sales commissions to ticket retailers. An additional amount not to exceed 0.5 percent of gross lottery game sales is appropriated for payment of sales commissions to ticket retailers. The combined amount is currently estimated to be 6.7 percent of total ticket sales, or $54,357,500 in fiscal year 2015-2016.

Sec. 65. BOARD OF MASSAGE THERAPY

		2015-16
FTE positions		5.0
Lump sum appropriation	$	453,700
Fund sources:		
Board of massage therapy fund	$	453,700

Sec. 66. ARIZONA MEDICAL BOARD

		2015-16
FTE positions		58.5
Lump sum appropriation	$	6,424,700
Fund sources:		
Arizona medical board fund	$	6,424,700

The Arizona medical board may use up to seven percent of the Arizona medical board fund balance remaining at the end of each fiscal year for a performance based incentive program the following fiscal year based on the program established pursuant to section 38-618, Arizona Revised Statutes.

Sec. 67. STATE MINE INSPECTOR

		2015-16
FTE positions		14.0
Operating lump sum appropriation	$	1,020,900
Abandoned mines		194,700
Aggregate mined land reclamation		112,500
Total appropriation - state mine inspector	$	1,328,100

Fund sources:

State general fund	$ 1,215,600
Aggregate mining reclamation fund	112,500

All aggregate mining reclamation fund receipts received by the state mine inspector in excess of $112,500 in fiscal year 2015-2016 are appropriated to the aggregate mined land reclamation line item. Before the expenditure of any aggregate mining reclamation fund receipts in excess of $112,500 in fiscal year 2015-2016, the state mine inspector shall report the intended use of the monies to the joint legislative budget committee.

Sec. 68. NATUROPATHIC PHYSICIANS MEDICAL BOARD

	2015-16
FTE positions	2.0
Lump sum appropriation	$ 177,600

Fund sources:

Naturopathic physicians medical board fund	$ 177,600

Sec. 69. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

	2015-16
FTE positions	2.0
Lump sum appropriation	$ 329,200

Fund sources:

State general fund	$ 129,200
Arizona water banking fund	200,000

Sec. 70. ARIZONA STATE BOARD OF NURSING

	2015-16
FTE positions	42.2
Operating lump sum appropriation	$ 4,272,100
Certified nursing assistant program	536,700
Total appropriation - Arizona state board of nursing	$ 4,808,800

Fund sources:

Board of nursing fund	$ 4,808,800

Sec. 71. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ASSISTED LIVING FACILITY MANAGERS

	2015-16
FTE positions	6.0
Lump sum appropriation	$ 420,300

Fund sources:

Nursing care institution administrators' licensing and assisted living facility managers' certification fund	$ 420,300

Sec. 72. BOARD OF OCCUPATIONAL THERAPY EXAMINERS

		2015-16
FTE positions		1.5
Lump sum appropriation	$	172,600
Fund sources:		
Occupational therapy fund	$	172,600

Sec. 73. STATE BOARD OF DISPENSING OPTICIANS

		2015-16
FTE positions		1.0
Lump sum appropriation	$	135,800
Fund sources:		
Board of dispensing opticians fund	$	135,800

Sec. 74. STATE BOARD OF OPTOMETRY

		2015-16
FTE positions		2.0
Lump sum appropriation	$	229,900
Fund sources:		
Board of optometry fund	$	229,900

Sec. 75. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY

		2015-16
FTE positions		6.7
Lump sum appropriation	$	801,700
Fund sources:		
Board of osteopathic examiners fund	$	801,700

Sec. 76. ARIZONA STATE PARKS BOARD

		2015-16
FTE positions		163.0
Operating lump sum appropriation	$	10,610,100
Kartchner caverns state park		2,232,000
Total appropriation - Arizona state parks board	$	12,842,100
Fund sources:		
State parks revenue fund	$	12,842,100

All other operating expenditures include $26,000 from the state parks revenue fund for Fool Hollow state park revenue sharing. If receipts to Fool Hollow exceed $260,000 in fiscal year 2015-2016, an additional ten percent of this increase of Fool Hollow receipts is appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, to meet the revenue sharing agreement with the city of Show Low and the United States forest service.

Sec. 77. STATE PERSONNEL BOARD

		2015-16
FTE positions		3.0
Lump sum appropriation	$	375,000
Fund sources:		
Personnel division fund - personnel board subaccount	$	375,000

Sec. 78. OFFICE OF PEST MANAGEMENT

		2015-16
FTE positions		30.0
Lump sum appropriation	$	1,700,500
Fund sources:		
Pest management fund	$	1,700,500

Sec. 79. ARIZONA STATE BOARD OF PHARMACY

		2015-16
FTE positions		18.0
Lump sum appropriation	$	2,017,600
Fund sources:		
Arizona state board of pharmacy fund	$	2,017,600

Sec. 80. BOARD OF PHYSICAL THERAPY

		2015-16
FTE positions		4.0
Lump sum appropriation	$	481,600
Fund sources:		
Board of physical therapy fund	$	481,600

Sec. 81. ARIZONA PIONEERS' HOME

		2015-16
FTE positions		106.3
Operating lump sum appropriation	$	6,032,000
Prescription drugs		200,000
Total appropriation - pioneers' home	$	6,232,000
Fund sources:		
Miners' hospital fund	$	2,050,600
State charitable fund		4,181,400

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

Sec. 82. STATE BOARD OF PODIATRY EXAMINERS

		2015-16
FTE positions		1.0
Lump sum appropriation	$	147,300
Fund sources:		
Podiatry fund	$	147,300

Sec. 83. COMMISSION FOR POSTSECONDARY EDUCATION

		2015-16
FTE positions		5.0
Operating lump sum appropriation	$	184,900
Leveraging educational assistance partnership (LEAP)		2,319,500
Arizona college and career guide		21,300
Math and science teacher initiative		176,000
Arizona minority educational policy analysis center		100,000
Twelve plus partnership		130,500
Total appropriation - commission for postsecondary education	$	2,932,200
Fund sources:		
State general fund	$	1,396,800
Postsecondary education fund		1,535,400

Each participating institution, public or private, in order to be eligible to receive state matching funds under the leveraging educational assistance partnership for grants to students, shall provide an amount of institutional matching funds that equals the amount of monies provided by the state to the institution for the leveraging educational assistance partnership. Administrative expenses incurred by the commission for postsecondary education shall be paid from institutional matching funds and may not exceed twelve percent of the funds in fiscal year 2015-2016.

Any unencumbered balance remaining in the postsecondary education fund established by section 15-1853, Arizona Revised Statutes, on June 30, 2015, and all grant monies and other revenues received by the commission for postsecondary education, when paid into the state treasury, are appropriated for the explicit purposes designated by line items and for additional responsibilities prescribed in sections 15-1851 and 15-1852, Arizona Revised Statutes.

The appropriations for the Arizona college and career guide, Arizona minority educational policy analysis center and twelve plus partnership are estimates representing all monies distributed to this fund, including balance forward, revenue and transfers, during fiscal year 2015-2016. The appropriations shall be adjusted as necessary to reflect actual final receipts credited to the postsecondary education fund.

Sec. 84. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

		2015-16
FTE positions		4.0
Operating lump sum appropriation	$	395,700

Student tuition recovery fund deposit	600,000
Total appropriation - state board for private postsecondary education	$ 995,700
Fund sources:	
Board for private postsecondary education fund	$ 995,700

Sec. 85. STATE BOARD OF PSYCHOLOGIST EXAMINERS

	2015-16
FTE positions	4.0
Lump sum appropriation	$ 448,200
Fund sources:	
Board of psychologist examiners fund	$ 448,200

Sec. 86. DEPARTMENT OF PUBLIC SAFETY

	2015-16
FTE positions	1,907.7
Operating lump sum appropriation	$223,976,700
ACTIC	1,450,000
GIITEM	22,217,700
GIITEM subaccount	2,390,000
Motor vehicle fuel	5,454,600
Public safety equipment	2,890,000
Total appropriation - department of public safety	$258,379,000
Fund sources:	
State general fund	$ 93,571,200
Arizona highway user revenue fund	96,812,300
State highway fund	7,302,700
Arizona highway patrol fund	20,480,200
State aid to indigent defense fund	700,000
Criminal justice enhancement fund	2,876,500
Safety enforcement and transportation infrastructure fund	1,566,300
Crime laboratory assessment fund	872,400
Crime laboratory operations fund	14,723,800
Arizona deoxyribonucleic acid identification system fund	6,323,200
Arizona automated fingerprint identification system fund	2,909,700

Gang and immigration intelligence team enforcement mission border security and law enforcement subaccount	2,390,000
Motorcycle safety fund	205,000
Risk management revolving fund	1,233,700
Parity compensation fund	2,125,700
Public safety equipment fund	2,890,000
Concealed weapons permit fund	1,396,300

Of the $22,217,700 appropriated to GIITEM, $9,837,300 shall be used for one hundred department of public safety GIITEM personnel. The additional staff shall include at least fifty sworn department of public safety positions to be used for immigration enforcement and border security and fifty department of public safety positions to assist GIITEM in various efforts, including:

1. Strict enforcement of all federal laws relating to illegal aliens and arresting illegal aliens.

2. Responding to or assisting any county sheriff or attorney in investigating complaints of employment of illegal aliens.

3. Enforcing Arizona's law known as the Legal Arizona Workers Act, strict enforcement of Arizona's SB 1070, Arizona's "Support Our Law Enforcement and Safe Neighborhoods Act", investigating crimes of identity theft in the context of hiring illegal aliens and the unlawful entry into the country.

4. Taking strict enforcement action.

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

Of the $22,217,700 appropriated to GIITEM, only $2,603,400 is deposited in the GIITEM fund established by section 41-1724, Arizona Revised Statutes, and is appropriated for the purposes of that section. The $2,603,400 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. This state recognizes that states have inherent authority to arrest a person for any immigration violation.

Any monies remaining in the department of public safety joint account on June 30, 2016 revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

Sec. 87. ARIZONA DEPARTMENT OF RACING

	2015-16
FTE positions	40.5
Operating lump sum appropriation	$ 2,900,700
County fairs livestock and agricultural promotion	1,779,500
Total appropriation - department of racing	$ 4,680,200
Fund sources:	
State general fund	$ 1,779,500
Racing regulation fund	2,900,700

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

Sec. 88. RADIATION REGULATORY AGENCY

	2015-16
FTE positions	29.0
Lump sum appropriation	$ 1,626,800
Fund sources:	
State general fund	$ 773,600
State radiologic technologist certification fund	273,400
Radiation regulatory fee fund	579,800

Sec. 89. STATE REAL ESTATE DEPARTMENT

	2015-16
FTE positions	37.0
Lump sum appropriation	$ 2,989,700
Fund sources:	
State general fund	$ 2,989,700

Sec. 90. RESIDENTIAL UTILITY CONSUMER OFFICE

	2015-16
FTE positions	11.0
Operating lump sum appropriation	$ 1,192,800
Professional witnesses	145,000*
Total appropriation - residential utility consumer office	$ 1,337,800
Fund sources:	
Residential utility consumer office revolving fund	$ 1,337,800

Sec. 91. BOARD OF RESPIRATORY CARE EXAMINERS

	2015-16
FTE positions	4.0
Lump sum appropriation	$ 297,200
Fund sources:	
Board of respiratory care examiners fund	$ 297,200

Sec. 92. ARIZONA STATE RETIREMENT SYSTEM

	2015-16
FTE positions	250.9
Operating lump sum appropriation	$ 25,770,400
Automation upgrades	2,270,000*
Total appropriation - state retirement system	$ 28,040,400
Fund sources:	
Arizona state retirement system administration account	$ 25,240,400
Long-term disability trust fund administration account	2,800,000

Sec. 93. DEPARTMENT OF REVENUE

	2015-16
FTE positions	880.8
Operating lump sum appropriation	$ 66,980,300
BRITS operational support	7,604,200
Unclaimed property administration and audit	1,218,500
TPT simplification	1,000,000
TPT information technology	1,230,700
Total appropriation - department of revenue	$ 78,033,700
Fund sources:	
State general fund	$ 30,533,600
DOR administrative fund	46,423,300
Liability setoff revolving fund	397,300
Tobacco tax and health care fund	679,500

If the total dollar value of properties retained by unclaimed property contract auditors exceeds $1,218,500, the excess amount is transferred from the state general fund to the DOR administrative fund established by section 42-1116.01, Arizona Revised Statutes, and appropriated to the department for contract auditor fees.

The department shall report the department's general fund revenue enforcement goals for fiscal year 2015-2016 to the joint legislative budget committee on or before September 30, 2015. The department shall provide an annual progress report to the joint legislative budget committee as to the effectiveness of the department's overall enforcement and collections program for fiscal year 2015-2016 on or before September 30, 2016. The reports shall

include a comparison of projected and actual general fund revenue enforcement collections for fiscal year 2015-2016, including the amount of projected and actual enforcement collections for all tax types.

The fiscal year 2015-2016 appropriation for the department of revenue includes a $3,150,000 state general fund lump sum increase for contracting for private fraud prevention investigation services. Before awarding a contract for the services, the department shall make a request for proposals and review all submissions.

On or before September 30, 2015, the department of revenue shall report to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on the amount of individual income tax credits claimed in fiscal year 2014-2015.

Sec. 94. SCHOOL FACILITIES BOARD

	2015-16
FTE positions	17.0
Operating lump sum appropriation	$ 1,677,100
Access our best public schools funding	23,900,000
New school facilities debt service	172,388,100
Building renewal grants	16,667,900
New school facilities	2,249,600
Total appropriation - school facilities board	$216,882,700
Fund sources:	
State general fund	$216,882,700

Pursuant to section 35-142.01, Arizona Revised Statutes, any reimbursement received by or allocated to the school facilities board under the federal qualified school construction bond program in fiscal year 2015-2016 shall be deposited in or revert to the state general fund.

The monies appropriated in the access our best public schools funding line item shall be deposited in the access our best public schools fund established by section 15-2042, Arizona Revised Statutes. Monies in the fund shall not be expended until the executive branch submits an expenditure plan to the joint legislative budget committee for review. Monies in the access our best public schools fund are appropriated for the purpose of developing mechanisms that an Arizona public school achievement district could use to assist in the expansion of member schools or the construction of new facilities for member schools, including mechanisms for the state to act as the guarantor for debt financing for member schools. The executive branch shall recommend proposed legislation to codify the mechanisms developed.

Pursuant to section 15-2041, Arizona Revised Statutes, the amount appropriated for new school construction shall be used only for a facility that is to be constructed for a school district that received final approval from the school facilities board on or before March 1, 2015.

Sec. 95. DEPARTMENT OF STATE - SECRETARY OF STATE

	2015-16
FTE positions	141.1
Operating lump sum appropriation	$ 10,588,800
Election services	4,431,900
Help America vote act	2,941,100
Library grants-in-aid	651,400*
Statewide radio reading service for the blind	97,000
Total appropriation - secretary of state	$ 18,710,200
Fund sources:	
State general fund	$ 15,027,800
Election systems improvement fund	2,941,100
Records services fund	741,300

Any transfer to or from the amount appropriated for the election services line item requires review by the joint legislative budget committee.

The secretary of state shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting on or before December 31, 2015 the actual amount and purpose of expenditures from the election systems improvement fund established by section 41-129, Arizona Revised Statutes, in fiscal year 2014-2015 and the expected amount and purpose of expenditures from the fund for fiscal year 2015-2016.

The fiscal year 2015-2016 appropriation from the election systems improvement fund for the help America vote act is available for use pursuant to section 35-143.01, subsection C, Arizona Revised Statutes, and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2017.

Included in the operating lump sum appropriation of $10,588,800 for fiscal year 2015-2016 is $5,000 for the purchase of mementos and items for visiting officials.

Sec. 96. STATE BOARDS' OFFICE

	2015-16
FTE positions	3.0
Lump sum appropriation	$ 231,100
Fund sources:	
Special services revolving fund	$ 231,100

Sec. 97. STATE BOARD OF TAX APPEALS

	2015-16
FTE positions	4.0
Lump sum appropriation	$ 265,600
Fund sources:	
State general fund	$ 265,600

Sec. 98. STATE BOARD OF TECHNICAL REGISTRATION

	2015-16
FTE positions	25.0
Lump sum appropriation	$ 2,124,600
Fund sources:	
Technical registration fund	$ 2,124,600

Sec. 99. OFFICE OF TOURISM

	2015-16
FTE positions	28.0
Tourism fund deposit	$ 7,103,700
Fund sources:	
State general fund	$ 7,103,700

Sec. 100. DEPARTMENT OF TRANSPORTATION

	2015-16
FTE positions	4,548.0
Operating lump sum appropriation	$206,600,600
Attorney general legal services	3,310,400
Highway maintenance	138,288,000
Vehicles and heavy equipment	18,507,000
Fraud investigation	773,600
New third-party funding	971,500
Total appropriation - department of transportation	$368,451,100
Fund sources:	
State general fund	$ 50,400
Air quality fund	74,500
Driving under the influence abatement fund	153,900
Arizona highway user revenue fund	651,800
Motor vehicle liability insurance enforcement fund	1,087,100
Safety enforcement and transportation infrastructure fund	1,881,000
State aviation fund	1,624,900
State highway fund	342,955,900
Transportation department equipment fund	18,507,000
Vehicle inspection and title enforcement fund	1,464,600

It is the intent of the legislature that the department not include any administrative overhead expenditures in duplicate driver license fees charged to the public.

1 Of the total amount appropriated, $138,288,000 in fiscal year 2015-2016
2 for highway maintenance is exempt from the provisions of section 35-190,
3 Arizona Revised Statutes, relating to lapsing of appropriations, except that
4 all unexpended and unencumbered monies of the appropriation revert to their
5 fund of origin, either the state highway fund established by section 28-6991,
6 Arizona Revised Statutes, or the safety enforcement and transportation
7 infrastructure fund established by section 28-6547, Arizona Revised Statutes,
8 on August 31, 2016.
9 The department of transportation shall submit an annual report to the
10 joint legislative budget committee on progress in improving motor vehicle
11 division wait times and vehicle registration renewal by mail turnaround times
12 in a format similar to prior years. The report is due on July 31, 2016 for
13 fiscal year 2015-2016.
14 Of the total amount appropriated, the department of transportation
15 shall pay $16,773,800 in fiscal year 2015-2016 from all funds to the
16 department of administration for its risk management payment.
17 Sec. 101. STATE TREASURER

	2015-16
FTE positions	30.4
Operating lump sum appropriation	$ 2,861,900
Justice of the peace salaries	1,205,100
Law enforcement/boating safety fund grants	2,183,800
Total appropriation - state treasurer	$ 6,250,800
Fund sources:	
State general fund	$ 1,205,100
Law enforcement and boating safety fund	2,183,800
State treasurer empowerment scholarship account fund	80,000
State treasurer's operating fund	2,584,300
State treasurer's management fund	197,600

Sec. 102. ARIZONA BOARD OF REGENTS

	2015-16
FTE positions	25.9
Operating lump sum appropriation	$ 2,352,500
Arizona teachers incentive program	90,000
Arizona transfer articulation support system	213,700
Student financial assistance	10,041,200
Western interstate commission office	137,000

Performance funding	5,000,000
WICHE student subsidies	4,094,000
Total appropriation - Arizona board of regents	$ 21,928,400
Fund sources:	
State general fund	$ 21,928,400

The Arizona board of regents shall allocate the $5,000,000 appropriation for performance funding to the three universities under its jurisdiction in accordance with a performance funding model to be adopted by the board that is substantially similar to what the board used in allocating the performance funding appropriation for fiscal year 2014-2015.

It is the intent of the legislature that the Arizona board of regents adopt a performance funding model and report to the joint legislative budget committee the final allocation of the $5,000,000 performance funding lump sum appropriation on or before July 1, 2015. The formula shall be consistent with board objectives previously adopted in the board's enterprise plan. The performance funding model shall use select performance metrics that include, at a minimum, the increase in degrees awarded, the increase in completed student credit hours and the increase in externally generated research and public service funding. The formula may give added weight to degrees related to science, technology, engineering and mathematics, as well as other high-value degrees that are in short supply or are essential to the state's long-term economic development strategy.

It is further the intent of the legislature that the Arizona board of regents use the adopted performance funding model in developing and submitting future budget requests for the universities under its jurisdiction, and that the legislature use the performance funding model in the development of future fiscal year appropriations for the universities under the jurisdiction of the Arizona board of regents.

Within ten days after the acceptance of the universities' semiannual all funds budget reports, the Arizona board of regents shall submit an expenditure plan for review to the joint legislative budget committee. The expenditure plan shall include any tuition revenue amounts that are greater than the appropriated amounts and all retained tuition and fee revenue expenditures for the current fiscal year. The additional revenue expenditure plan shall provide as much detail as the university budget requests.

Sec. 103. ARIZONA STATE UNIVERSITY - TEMPE AND DOWNTOWN PHOENIX CAMPUSES

	2015-16
FTE positions	6,142.9
Operating lump sum appropriation	$542,436,800

Biomedical informatics	2,746,600
Downtown Phoenix campus	126,739,200
Total appropriation - Arizona state university - Tempe and downtown Phoenix campuses	$671,922,600
Fund sources:	
State general fund	$155,092,100
University collections fund	516,830,500

It is the intent of the legislature that the general fund base funding for Arizona state university - Tempe and downtown Phoenix campuses is $229,852,500. This appropriation includes a deferral of $74,760,400 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

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

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

The appropriated monies may not be used for scholarships or any student newspaper.

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

Any unencumbered balances remaining in the collections account on June 30, 2015 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 104. ARIZONA STATE UNIVERSITY - EAST CAMPUS

	2015-16
FTE positions	425.6
Operating lump sum appropriation	$ 45,098,400
TRIF lease-purchase payment	2,000,000
Total appropriation - Arizona state university - East campus	$ 47,098,400
Fund sources:	
State general fund	$ 15,588,900
University collections fund	29,509,500
Technology and research initiative fund	2,000,000

It is the intent of the legislature that the general fund base funding for Arizona state university - East campus is $21,339,100. This appropriation includes a deferral of $5,750,200 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

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

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

The appropriated monies may not be used for scholarships or any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2015 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 105. ARIZONA STATE UNIVERSITY - WEST CAMPUS

	2015-16
FTE positions	562.9
Operating lump sum appropriation	$ 59,801,400
TRIF lease-purchase payment	1,600,000
Total appropriation - Arizona state university - West campus	$ 61,401,400
Fund sources:	
State general fund	$ 18,825,900
University collections fund	40,975,500
Technology and research initiative fund	1,600,000

It is the intent of the legislature that the general fund base funding for Arizona state university - West campus is $28,890,700. This appropriation includes a deferral of $10,064,800 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

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

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

The appropriated monies may not be used for scholarships or any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2015 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 106. NORTHERN ARIZONA UNIVERSITY

	2015-16
FTE positions	2,057.2
Operating lump sum appropriation	$189,628,300
NAU - Yuma	2,430,000
Teacher training	2,290,600
Total appropriation - Northern Arizona university	$194,348,900
Fund sources:	
State general fund	$ 61,491,400
University collections fund	132,857,500

It is the intent of the legislature that the general fund base funding for northern Arizona university is $91,986,200. This appropriation includes a deferral of $30,494,800 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

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

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

The appropriated monies may not be used for scholarships or any student newspaper.

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

Any unencumbered balances remaining in the collections account on June 30, 2015 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or

supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 107. UNIVERSITY OF ARIZONA

	2015-16
Main campus	
FTE positions	5,393.0
Operating lump sum appropriation	$346,556,800
Agriculture	38,195,600
Arizona cooperative extension	16,360,200
Freedom center	500,000
Sierra Vista campus	7,601,500
Total - Main campus	$409,214,100
Fund sources:	
State general fund	$107,653,800
University collections fund	301,560,300
Health sciences center	
FTE positions	1,054.1
Operating lump sum appropriation	$ 52,738,600
Clinical rural rotation	353,400
Clinical teaching support	8,587,000
Liver research institute	430,100
Phoenix medical campus	31,778,700
Telemedicine network	1,854,400
Total - health sciences center	$ 95,742,200
Fund sources:	
State general fund	$ 52,307,300
University collections fund	43,434,900
Total appropriation - university of Arizona	$504,956,300
Fund sources:	
State general fund	$159,961,100
University collections fund	344,995,200

It is the intent of the legislature that the general fund base funding for university of Arizona - main campus is $169,806,900. This appropriation includes a deferral of $62,153,100 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

It is the intent of the legislature that the general fund base funding for university of Arizona - health sciences center is $69,084,000. This appropriation includes a deferral of $16,776,700 from fiscal year 2015-2016 to fiscal year 2016-2017. This deferral shall be paid as required in this act.

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

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

The appropriated monies may not be used for scholarships or any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2015 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 108. DEPARTMENT OF VETERANS' SERVICES

	2015-16
FTE positions	512.3
Operating lump sum appropriation	$ 3,221,200
Arizona state veterans' homes	31,095,000
Arizona state veterans' cemeteries	929,400
Veterans' benefit counseling	2,848,100
Total appropriation - department of veterans' services	$ 38,093,700
Fund sources:	
State general fund	$ 6,092,100
State home for veterans trust fund	31,095,000
State veterans' conservatorship fund	906,600

Sec. 109. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

	2015-16
FTE positions	6.0
Lump sum appropriation	$ 546,800
Fund sources:	
Veterinary medical examining board fund	$ 546,800

Sec. 110. DEPARTMENT OF WATER RESOURCES

	2015-16
FTE positions	100.0
Operating lump sum appropriation	$ 9,210,800

Adjudication support	1,257,200
Assured and adequate water supply administration	1,990,300
Rural water studies	1,168,100
Conservation and drought program	410,200
Automated groundwater monitoring	410,300
Lower Colorado river litigation expenses	500,000*
Total appropriation - department of water resources	$ 14,946,900
Fund sources:	
State general fund	$ 12,830,300
Water resources fund	640,400
Assured and adequate water supply administration fund	266,500
Arizona water banking fund	1,209,700

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

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

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

The department of water resources may not transfer any monies from the lower Colorado river litigation expenses line item without the prior review by the joint legislative budget committee.

Sec. 111. DEPARTMENT OF WEIGHTS AND MEASURES

	2015-16
FTE positions	38.4
General services	$ 1,737,800
Vapor recovery	653,500
Oxygenated fuel	789,700
Total appropriation - department of weights and measures	$ 3,181,000

Fund sources:

State general fund	$ 1,407,700
Air quality fund	1,443,200
Motor vehicle liability insurance enforcement fund	330,100

Fiscal Year 2014-2015 Appropriation Adjustments

Sec. 112. Department of administration; risk management revolving fund; special employee health insurance trust fund; supplemental appropriations; fiscal year 2014-2015

A. In addition to any other appropriations made in fiscal year 2014-2015, the sum of $10,462,100 from the risk management revolving fund established by section 41-622, Arizona Revised Statutes, is appropriated to the department of administration in fiscal year 2014-2015 for the following purposes:

1. To reimburse the federal government for disallowed costs relating to excess retained earnings.

2. To reimburse the federal government for disallowed costs relating to the statewide information technology charges.

3. To reimburse the federal government for fund transfers in fiscal year 2013-2014.

B. In addition to any other appropriations made in fiscal year 2014-2015, the sum of $8,302,800 from the special employee health insurance trust fund, established by section 38-654, Arizona Revised Statutes, is appropriated to the department of administration in fiscal year 2014-2015 to reimburse the federal government for fund transfers in fiscal year 2013-2014.

C. It is the intent of the legislature that the department of administration not enter into any agreements to pay for any federal reimbursements related to excess balances in the special employee health insurance trust fund established by section 38-654, Arizona Revised Statutes, or interest payments made for the human resource information solution certificate of participation, unless the proposed agreements are reviewed by the joint legislative budget committee.

Sec. 113. Arizona health care cost containment system administration; reductions; supplemental appropriations; fiscal year 2014-2015

A. In addition to any other appropriation made in fiscal year 2014-2015, the appropriation to the Arizona health care cost containment system administration is reduced by $48,520,500 from the state general fund in fiscal year 2014-2015.

B. In addition to any other appropriation made in fiscal year 2014-2015, the sum of $268,809,500 is increased from the Arizona health care cost containment system administration appropriation from the expenditure authority in fiscal year 2014-2015.

Sec. 114. Arizona health care cost containment system administration; supplemental appropriation; fiscal year 2014-2015

A. The Arizona health care cost containment system administration may transfer up to $10,000,000 from state general fund appropriations received in fiscal year 2014-2015 to the department of health services for expenditures associated with title XIX behavioral health services.

B. Before making any transfer pursuant to subsection A of this section, the Arizona health care cost containment system administration shall submit the proposed transfer for review by the joint legislative budget committee.

Sec. 115. Corporation commission; fiscal year 2014-2015; exemption

The appropriation of $750,000 from the securities regulatory and enforcement fund established by section 44-2039, Arizona Revised Statutes, in fiscal year 2014-2015 to the corporation commission for a securities division database upgrade pursuant to Laws 2014, chapter 18, section 19 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2016.

Sec. 116. Commission for the deaf and the hard of hearing; supplemental appropriation; fiscal year 2014-2015; exemption

A. In addition to any other appropriation made in fiscal year 2014-2015, the sum of $255,500 is appropriated from the telecommunication fund for the deaf established by section 36-1947, Arizona Revised Statutes, in fiscal year 2014-2015 to the commission for the deaf and the hard of hearing for the Arizona relay service.

B. The appropriation of $220,000 from the telecommunication fund for the deaf established by section 36-1947, Arizona Revised Statutes, in fiscal year 2014-2015 to the commission for the deaf and the hard of hearing for agency business upgrades pursuant to Laws 2014, chapter 18, section 24 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until June 30, 2016.

Sec. 117. Department of economic security; reductions; supplemental appropriation; fiscal year 2014-2015

A. In addition to any other appropriation reductions made in fiscal year 2014-2015, the appropriation to the department of economic security is reduced by $300,000 from the state general fund in fiscal year 2014-2015 for the rural long-term care assisted living line item.

B. In addition to any other appropriation reductions made in fiscal year 2014-2015, the appropriation to the department of economic security is reduced by $300,000 from the state general fund in fiscal year 2014-2015 for the autism parenting skills - rural areas line item.

C. In addition to any other appropriation reductions made in fiscal year 2014-2015, the appropriation to the department of economic security is reduced by $4,000,000 from the state general fund in fiscal year 2014-2015 for the child care subsidy line item.

D. In addition to any other appropriation made in fiscal year 2014-2015, the sum of $4,000,000 is appropriated from the federal child care and development fund block grant in fiscal year 2014-2015 to the department of economic security for the child care subsidy line item.

E. In addition to any other appropriations made in fiscal year 2014-2015, the sum of $7,852,000 is appropriated from the state general fund in fiscal year 2014-2015 to the department of economic security's division of developmental disabilities.

F. In addition to any other appropriations made in fiscal year 2014-2015, the sum of $21,082,900 is appropriated from the long-term care fund expenditure authority in fiscal year 2014-2015 to the department of economic security's division of developmental disabilities.

Sec. 118. State board of education and superintendent of public instruction; supplemental appropriation; fiscal year 2014-2015

In addition to any other appropriations made in fiscal year 2014-2015, the sum of $26,861,100 is appropriated from the state general fund in fiscal year 2014-2015 to the state board of education and superintendent of public instruction for basic state aid and additional state aid. This amount includes $19,453,900 for basic state aid and $7,407,200 for additional state aid.

Sec. 119. Department of health services; reductions; supplemental appropriations; fiscal year 2014-2015

In addition to any other appropriation made in fiscal year 2014-2015, the appropriation to the department of health services is increased by $6,127,100 from the state general fund in fiscal year 2014-2015.

Sec. 120. Independent redistricting commission; appropriation; fiscal year 2013-2014; exemption

Notwithstanding section 35-190, Arizona Revised Statutes, the appropriation made by Laws 2014, chapter 3, section 1 to the independent redistricting commission is exempt from lapsing until June 30, 2016.

Sec. 121. State land department; supplemental appropriation; fiscal year 2014-2015

In addition to any other appropriations made in fiscal year 2014-2015, the sum of $64,200 is appropriated from the state general fund in fiscal year 2014-2015 to the state land department for central Arizona project user fee rate adjustment.

Sec. 122. Arizona navigable stream adjudication commission; supplemental appropriation; fiscal year 2014-2015

In addition to any other appropriation in fiscal year 2014-2015, the sum of $359,300 is appropriated from the Arizona water banking fund

established by section 45-2425, Arizona Revised Statutes, in fiscal year 2014-2015 to the Arizona navigable stream adjudication commission for outside legal counsel and related hearing expenses.

Sec. 123. School facilities board; supplemental appropriation; reduction; fiscal year 2014-2015

In addition to any other appropriations made in fiscal year 2014-2015, the appropriation to the school facilities board is reduced by $9,415,900 from the state general fund in fiscal year 2014-2015 for the new school facilities debt service line item.

Sec. 124. School facilities board; transfer of monies appropriated for fiscal year 2014-2015

Of the amount appropriated in the building renewal grants line item for fiscal year 2014-2015, $1,000,000 shall be transferred to the emergency deficiencies correction fund established by section 15-2022, Arizona Revised Statutes. A school district receiving monies from the emergency deficiencies correction fund in fiscal year 2014-2015 shall submit to the school facilities board a plan to improve the school's preventative maintenance building systems.

Fiscal Year 2015-2016 Appropriations

Sec. 125. Department of administration; counties; appropriations

A. The sum of $5,500,500 is appropriated from the state general fund in fiscal year 2015-2016 to the department of administration for distribution to counties for maintenance of essential county services. The department of administration shall allocate the appropriation equally among all counties with a population of less than two hundred thousand persons according to the 2010 United States decennial census.

B. The sum of $500,000 is appropriated from the state general fund in fiscal year 2015-2016 to the department of administration for distribution to a county with a population of more than thirty thousand persons and less than forty thousand persons according to the 2010 United States decennial census, for maintenance of essential county services.

Sec. 126. Automation projects fund; appropriations; fiscal year 2015-2016

A. The following amounts, including 75.0 FTE positions, are appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2015-2016 for the following automation and information technology projects:

1. $3,125,000 for enhancing statewide data security.

2. $500,000 for enhancing enterprise architecture.

3. $2,150,000 for project management of statewide automation and information technology projects.

4. $1,075,000 for projects related to e-government.

5. $2,625,000 for improving and maintaining the department of administration state data center.

B. The sum of $936,400 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2015-2016 for implementing information technology projects that comply with state and federal security information technology standards by the department of economic security.

C. The sum of $5,000,000 is appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2015-2016 for implementing e-licensing projects by the department of environmental quality.

D. The following amounts are appropriated to the department of administration from the automation projects fund established by section 41-714, Arizona Revised Statutes, in fiscal year 2015-2016 for the following automation and information technology projects:

1. $7,000,000 for implementing, upgrading and maintaining the student longitudinal data system and the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes.

2. In addition to the amount appropriated in paragraph 1 of this subsection, any remaining balances as of June 30, 2015 from fees collected from universities and community college districts in the education learning and accountability fund established by section 15-249.02, Arizona Revised Statutes, are appropriated for implementing, upgrading and maintaining the student longitudinal data system and the education learning and accountability system established pursuant to section 15-249, Arizona Revised Statutes.

3. It is the intent of the legislature that the appropriations made by this subsection be used first and foremost to complete a significant portion of the replacement of the student accountability information system established by section 15-1041, Arizona Revised Statutes. The department of education shall provide quantifiable deliverables of the legislature's intended progress to the information technology authorization committee established by section 41-3521, Arizona Revised Statutes, and to the joint legislative budget committee before seeking review of the $7,000,000 fiscal year 2015-2016 expenditure from the automation projects fund, as required by section 41-714, Arizona Revised Statutes.

E. In addition to the initial review of expenditures from the automation projects fund by the joint legislative budget committee, pursuant to section 41-714, Arizona Revised Statutes, monies appropriated for projects at each state agency from the automation projects fund established by section 41-714, Arizona Revised Statutes, may not be used for projects at any other state agency without prior review by the joint legislative budget committee.

F. The department of administration shall submit to the joint legislative budget committee, within thirty days after the last day of each calendar quarter, a quarterly report on the implementation of projects described in this section, including the projects' expenditures to date, deliverables, timeline for completion and current status.

G. Any remaining balances on June 30, 2015 in the automation projects fund established by section 41-714, Arizona Revised Statutes, from monies appropriated in fiscal year 2014-2015 are appropriated to the department of administration in fiscal year 2015-2016 for the same purposes specified in fiscal year 2014-2015. The department of administration shall report any fiscal year 2015-2016 expenditure of remaining balances from fiscal year 2014-2015 in the automation projects fund in the department's quarterly report to the joint legislative budget committee.

H. The funding for the department of education's automation project is contingent on the use of a contracted independent third-party consultant to evaluate and assess the project's feasibility, estimated expenditures, technology approach and scope throughout the life of the project. The department of administration and the department of education shall provide a recent report by the third-party consultant to the information technology authorization committee and the joint legislative budget committee before seeking review of the $7,000,000 fiscal year 2015-2016 expenditure from the automation projects fund, as required by section 41-714, Arizona Revised Statutes. Following the initial review of fiscal year 2015-2016 expenditures, the department of education shall provide ongoing reports from the third-party consultant to the joint legislative budget committee on the progress of the project, as determined by the joint legislative budget committee.

I. For the funding for the state department of corrections replacement of the adult inmate management system project, any remaining balances on June 30, 2015 in the automation projects fund established by section 41-714, Arizona Revised Statutes, from monies appropriated in fiscal year 2013-2014 for the replacement of the adult inmate management system at the state department of corrections are appropriated to the department of administration in fiscal year 2015-2016 for the same purposes specified in fiscal year 2013-2014. The department of administration shall report any fiscal year 2015-2016 expenditure of remaining balances from fiscal year 2013-2014 from the automation projects fund in the department's quarterly report to the joint legislative budget committee.

Sec. 127. Arizona commerce authority; allocation

Pursuant to section 43-409, Arizona Revised Statutes, $26,500,000 of state general fund withholding tax revenue is allocated in fiscal year 2015-2016 to the Arizona commerce authority, of which $10,000,000 is credited to the Arizona commerce authority fund established by section 41-1506, Arizona Revised Statutes, and $16,500,000 is credited to the Arizona competes fund established by section 41-1545.01, Arizona Revised Statutes.

Sec. 128. Arizona commerce authority; appropriation; fiscal year 2015-2016

The sum of $300,000 is appropriated from the state general fund in fiscal year 2015-2016 to the Arizona commerce authority for the purpose of operating a trade office in Mexico City.

Sec. 129. Appropriation; debt service payments; state buildings

A. The sum of $60,104,300 is appropriated from the state general fund in fiscal year 2015-2016 to the department of administration for the purpose of making a debt service payment on the sale and lease-back of state buildings authorized by Laws 2009, third special session, chapter 6, section 32.

B. The sum of $24,010,300 is appropriated from the state general fund in fiscal year 2015-2016 to the department of administration for the purpose of making a debt service payment on the sale and lease-back of state buildings authorized by Laws 2010, sixth special session, chapter 4, section 2.

Sec. 130. Phoenix convention center; debt service payment

Pursuant to section 9-602, Arizona Revised Statutes, $20,449,000 of state general fund revenue is allocated in fiscal year 2015-2016 to the Arizona convention center development fund established by section 9-601, Arizona Revised Statutes.

Sec. 131. Rio Nuevo multipurpose facility district; estimated distribution; fiscal year 2015-2016

Pursuant to section 42-5031, Arizona Revised Statutes, a portion of the state transaction privilege tax revenues will be distributed to a multipurpose facility district. The Rio Nuevo multipurpose facility district is estimated to receive $10,000,000 in fiscal year 2015-2016. The actual amount of the distribution will be made pursuant to section 42-5031, Arizona Revised Statutes.

Fund Balance Transfers

Sec. 132. Conditional transfer; budget stabilization fund; notice; fiscal year 2014-2015

A. On or before July 29, 2015, the staff directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall jointly notify the governor, the president of the senate, the speaker of the house of representatives and the state treasurer if the preliminary fiscal year 2014-2015 state general fund ending balance is less than $0 and, if so, the total ending balance amount.

B. If the staff directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting issue the notification pursuant to subsection A of this section, the state treasurer shall transfer an amount equal to the negative ending balance plus $12,000,000 from the budget stabilization fund established by section 35-144, Arizona Revised Statutes, to the state general fund.

Sec. 133. Fund balance transfers; fiscal year 2015-2016

Notwithstanding any other law, on or before June 30, 2016, the following amounts from the following sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. Arizona health care cost containment system administration:
   Healthcare group fund - $7,252,800
2. Attorney general - department of law:
   Consumer restitution and remediation revolving fund - consumer remediation subaccount - $5,400,000
3. Arizona commerce authority:
   Arizona competes fund - $75,000,000
   Arizona job training fund - $25,000,000
4. Corporation commission:
   Utility regulation revolving fund - $2,000,000
5. State department of corrections:
   Special services fund - $2,000,000
   Inmate store proceeds fund - $2,500,000
   State department of corrections revolving fund - $1,072,000
   Arizona correctional industries revolving fund - $500,000
   Corrections fund - $1,250,000
   Alcohol abuse treatment fund - $250,000
   Department of corrections building renewal fund - $1,500,000
6. Department of economic security:
   Special administration fund - $4,000,000
7. Department of education:
   State facilities special education fund - $4,000,000
   Student success fund - $2,400,000
8. Department of environmental quality:
   Voluntary vehicle repair and retrofit program fund - $2,000,000
   Air quality fund - $5,500,000
   Recycling fund - $2,493,700
9. Arizona department of housing:
   Arizona department of housing program fund - $5,000,000
10. Arizona state parks board:
   Off-highway vehicle recreation fund - $4,000,000
11. Department of public safety:
   Arizona highway patrol fund - $5,168,200
   Fingerprint clearance card fund - $4,347,800
12. Department of transportation:
   Economic strength project fund - $4,560,000
   Highway expansion and extension loan program fund - $20,000,000
   State aviation fund - $15,000,000
   Motor vehicle liability insurance enforcement fund - $2,000,000

Sec. 134. Fund balance transfers; fiscal year 2015-2016

Notwithstanding any other law, on or before June 30, 2016, the following amounts from the following sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. Judiciary - supreme court:
   Alternative dispute resolution fund - $250,000
   Arizona lengthy trial fund - $750,000
   Court appointed special advocate fund - $500,000
   State aid to the courts fund - $100,000
2. Judiciary - superior court:
   Criminal justice enhancement fund - $650,000
   Drug treatment and education fund - $250,000
   Judicial collection enhancement fund - $500,000
   Juvenile probation services fund - $3,000,000

Sec. 135. Appropriation; fund balance transfers; fiscal year 2015-2016; automation projects fund

A. The amount of $5,400,000 is appropriated from the state general fund in fiscal year 2015-2016 for deposit in the automation projects fund established by section 41-714, Arizona Revised Statutes.

B. Notwithstanding any other law, the following amounts from the following sources are transferred in fiscal year 2015-2016 for deposit in the automation projects fund established by section 41-714, Arizona Revised Statutes:

1. $1,600,000 from the education learning and accountability fund established by section 15-249.02, Arizona Revised Statutes.

2. In addition to the amount appropriated in paragraph 1 of this subsection, any remaining balances as of June 30, 2015 from fees collected from universities and community college districts in the education learning and accountability fund established by section 15-249.02, Arizona Revised Statutes.

3. $3,775,000 from the state web portal fund established by section 41-3506, Arizona Revised Statutes. This amount includes $2,150,000 for managing all projects funded from the automation projects fund.

4. $5,700,000 from the automation operations fund established by section 41-711, Arizona Revised Statutes.

5. $5,000,000 from the emissions inspection fund established by section 49-544, Arizona Revised Statutes.

6. $936,400 from the special administration fund established by section 23-705, Arizona Revised Statutes.

Sec. 136. Fund balance transfer; special employee health insurance trust fund

Notwithstanding any other law, after July 1, 2016 but on or before June 30, 2017, the amount of $100,000,000 is transferred from the special employee health insurance trust fund established by section 38-654, Arizona Revised Statutes, to the state general fund for the purpose of providing adequate support and maintenance for agencies of this state.

Sec. 137. Department of law; transfer; mortgage settlement; fiscal year 2012-2013

Notwithstanding any other law, on or before June 30, 2015, the attorney general shall direct a total of $15,000,000 received pursuant to the consent judgments in the National Mortgage Settlement to the state general fund to compensate this state for costs resulting from the alleged unlawful conduct of the defendants.

Sec. 138. Department of law; transfer; financial services settlement; fiscal year 2015-2016

Notwithstanding any other law, on or before June 30, 2016, the attorney general shall direct a total of $16,000,000 received pursuant to the consent judgments in the Standard and Poor's Financial Services LLC settlement to the state general fund to compensate this state for costs resulting from the alleged unlawful conduct of the defendants.

Sec. 139. Department of transportation; fund balance transfer; fiscal year 2014-2015

Notwithstanding any other law, on or before June 30, 2015, the amount of $710,000 is transferred from the motor vehicle liability insurance enforcement fund established by section 28-4151, Arizona Revised Statutes, to the safety enforcement and transportation infrastructure fund established by section 28-6547, Arizona Revised Statutes.

Payment Deferrals

Sec. 140. Department of child safety; payment deferral; appropriation; fiscal year 2016-2017

A. In addition to any other appropriation reductions made in fiscal year 2015-2016, notwithstanding any other law, the department of child safety shall defer $11,000,000 in payments for services provided in May and June 2016 until after July 1, 2016.

B. In addition to any other appropriations made in fiscal year 2016-2017, the sum of $11,000,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of child safety for the purpose of paying bills for services provided in May and June 2016.

C. Of the amounts deferred in subsection A of this section, payments to child care providers may not be deferred.

Sec. 141. Department of economic security; payment deferral; appropriation; fiscal year 2016-2017

A. In addition to any other appropriation reductions made in fiscal year 2015-2016, notwithstanding any other law, the department of economic security shall defer $21,000,000 in payments for services provided in May and June 2016 until after July 1, 2016.

B. In addition to any other appropriations made in fiscal year 2016-2017, the sum of $21,000,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of economic security for the purpose of paying bills for services provided in May and June 2016.

C. Of the amounts deferred in subsection A of this section, payments to child care providers may not be deferred.

D. Of the amounts deferred in subsection A of this section, May payments to providers of developmental disabilities services may not be deferred.

Sec. 142. Reduction in school district state aid apportionment in fiscal year 2015-2016; appropriations in fiscal year 2016-2017

A. In addition to any other appropriation reductions made in fiscal year 2015-2016, notwithstanding any other law, the department of education shall defer until after July 1, 2016 but no later than July 12, 2016 $930,727,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts during fiscal year 2015-2016 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 six hundred pupils, and the state board 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 2016-2017, the sum of $930,727,700 is appropriated from the state general fund in fiscal year 2016-2017 to the department of education and the superintendent of public instruction for basic state aid and additional state aid entitlement for fiscal year 2016-2017. This appropriation shall be disbursed after July 1, 2016 but no later than July 12, 2016 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 2015-2016.

C. School districts shall include in the revenue estimates they use for computing their tax rates for fiscal year 2015-2016 the monies they will receive pursuant to subsection B of this section.

Sec. 143. Arizona board of regents; deferral; support and maintenance; appropriation in fiscal year 2016-2017

A. In addition to any other appropriation reductions made in fiscal year 2015-2016, the Arizona board of regents shall defer until after July 1, 2016 the sum of $200,000,000, which is allocated to the universities in the individual campus appropriations.

B. In addition to any other amounts appropriated to the Arizona board of regents for fiscal year 2016-2017, the sum of $200,000,000 is appropriated from the state general fund to the Arizona board of regents to be distributed for the support and maintenance of institutions under its jurisdiction for payments deferred from fiscal year 2014-2015. The department of administration shall distribute these monies to the board no later than October 1, 2016.

1 Statewide Adjustments
2 Sec. 144. Appropriation; operating adjustments
3 2015-2016
4 Arizona financial information
5 system collections $ 7,567,800
6 Fund sources:
7 State general fund $ 1,900,000
8 Other appropriated funds $ 5,667,800
9 Employer health insurance
10 contribution reduction $(24,761,500)
11 Fund sources:
12 State general fund $(16,200,000)
13 Other funds $(8,561,500)
14 Arizona financial information system collections
15 The amount appropriated is for operation of the Arizona financial
16 information system in fiscal year 2015-2016. The joint legislative budget
17 committee staff shall determine and the department of administration shall
18 allocate to each agency or department an amount for the Arizona financial
19 information system collection charge. When determining an allocation, the
20 joint legislative budget committee staff shall consider any amount previously
21 charged to an agency for the operation of the Arizona financial information
22 system. The joint legislative budget committee staff shall also determine
23 and the department of administration shall allocate adjustments, as
24 necessary, in expenditure authority to allow for the payment of Arizona
25 financial information system charges.
26 Employer health insurance contribution reduction
27 The amount appropriated is for a reduction in the employer contribution
28 rate for employee health insurance in fiscal year 2015-2016. The joint
29 legislative budget committee staff shall determine and the department of
30 administration shall allocate to each agency or department an amount for the
31 health insurance contribution reduction adjustment. The joint legislative
32 budget committee staff shall also determine and the department of
33 administration shall allocate adjustments, as necessary, in expenditure
34 authority to implement the reduction in health insurance employer
35 contribution rates.
36 Sec. 145. Department of law; general agency counsel charges;
37 fiscal year 2015-2016
38 Pursuant to section 41-191.09, Arizona Revised Statutes, the following
39 state agencies and departments are charged the following amounts for general
40 agency counsel provided by the department of law:
41 1. Department of administration $127,700
42 2. Office of administrative hearings $ 3,000
43 3. Arizona arts commission $ 3,100

4.	Automobile theft authority	$ 1,400
5.	Citizens clean elections commission	$ 2,700
6.	State department of corrections	$ 2,000
7.	Arizona criminal justice commission	$ 8,700
8.	Arizona state schools for the deaf and the blind	$100,200
9.	Commission for the deaf and the hard of hearing	$ 4,100
10.	Arizona early childhood development and health board	$ 47,100
11.	Department of education	$132,000
12.	Department of emergency and military affairs	$ 30,000
13.	Department of environmental quality	$135,600
14.	Arizona exposition and state fair board	$ 20,900
15.	Department of financial institutions	$ 1,900
16.	Department of fire, building and life safety	$ 2,500
17.	State forester	$ 12,100
18.	Department of gaming	$ 35,000
19.	Arizona geological survey	$ 6,800
20.	Department of health services	$170,000
21.	Arizona historical society	$ 700
22.	Arizona department of housing	$ 18,100
23.	Department of insurance	$ 10,500
24.	Department of juvenile corrections	$ 9,400
25.	State land department	$ 2,100
26.	Department of liquor licenses and control	$ 11,400
27.	Arizona state lottery commission	$ 24,800
28.	Arizona state parks board	$ 45,800
29.	State personnel board	$ 600
30.	Arizona pioneers' home	$ 12,100
31.	Commission for postsecondary education	$ 1,800
32.	Department of public safety	$677,400
33.	Arizona department of racing	$ 2,300
34.	Radiation regulatory agency	$ 3,800
35.	Arizona state retirement system	$ 69,100
36.	Department of revenue	$ 4,900
37.	Department of state - secretary of state	$ 1,800
38.	State treasurer	$ 9,200
39.	Department of veterans' services	$ 52,700
40.	Department of weights and measures	$ 4,200

Other Provisions

Sec. 146. Legislative intent; expenditure reporting

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

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

Sec. 147. FTE positions; reporting; definition

Full-time equivalent (FTE) positions contained in this act are subject to appropriation. The director of the department of administration shall account for the use of all appropriated and nonappropriated FTE positions, excluding those in the department of economic security, the universities and the department of environmental quality. The director of the department of administration shall submit the fiscal year 2015-2016 report on or before October 1, 2016 to the director of the joint legislative budget committee. The reports shall compare the level of appropriated FTE usage in each fiscal year to the appropriated level. For the purposes of this section, "FTE positions" means the total number of hours worked, including both regular and overtime hours as well as hours taken as leave, divided by the number of hours in a work year. The director of the department of administration shall notify the director of each budget unit if the budget unit's appropriated FTE usage has exceeded its number of appropriated FTE positions. The above-excluded agencies shall each report to the director of the joint legislative budget committee in a manner comparable to the department of administration reporting.

Sec. 148. Filled FTE positions; reporting

On or before October 1, 2015, each agency, including the judiciary and universities, shall submit a report to the director of the joint legislative budget committee on the number of filled appropriated and nonappropriated FTE positions, by fund source, as of September 1, 2015.

Sec. 149. Transfer of spending authority

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

Sec. 150. Interim reporting requirements

A. State general fund revenue for fiscal year 2014-2015, including a beginning balance of $577,000,000 and other one-time revenues, is forecasted to be $9,347,000,000.

B. State general fund revenue for fiscal year 2015-2016, including one-time revenues, is forecasted to be $9,126,000,000.

C. State general fund revenue for fiscal year 2016-2017, including one-time revenues, is forecasted to be $9,267,000,000. State general fund expenditures for fiscal year 2016-2017 are forecasted to be $9,290,000,000.

D. State general fund revenue for fiscal year 2017-2018, including one-time revenues, is forecasted to be $9,549,000,000. State general fund expenditures for fiscal year 2017-2018 are forecasted to be $9,522,000,000.

E. The executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2014-2015 state general fund ending balance on or before September 15, 2015. The estimate shall include projections of total revenues, total expenditures and ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.

F. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee on or before October 15, 2015 as to whether the fiscal year 2015-2016 revenues and ending balance are expected to change by more than $50,000,000 from the budgeted projections. The joint legislative budget committee staff may make technical adjustments to the revenue and expenditure estimates in this section to reflect other bills enacted into law. The executive branch may also provide its own estimates to the joint legislative budget committee on or before October 15, 2015.

Sec. 151. Definition

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

Sec. 152. Definition

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

Sec. 153. Definition

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

APPROVED BY THE GOVERNOR MARCH 12, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 12, 2015.

Passed the House March 7, 2015,

by the following vote: 32 Ayes,

27 Nays, 1 Not Voting

Speaker of the House

Jim Drake

Chief Clerk of the House

Passed the Senate March 7, 2015,

by the following vote: 16 Ayes,

13 Nays, 1 Not Voting

President of the Senate

Susan Davies
Assistant

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

9th day of March, 2015,

at 2:44 o'clock P. M.

Secretary to the Governor

Approved this 12th day of

March, 2015,

at 5:44 o'clock P M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 12TH day of March, 2015,

at 6:01 o'clock P. M.

Secretary of State

S.B. 1469