Senate Engrossed House Bill

FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
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Second Regular Session
2008

CHAPTER 53

HOUSE BILL 2620

AN ACT

AMENDING LAWS 2006, CHAPTER 335, SECTION 1, AS AMENDED BY LAWS 2007, CHAPTER 257, SECTION 1; AMENDING LAWS 2006, CHAPTER 345, SECTIONS 7 AND 10; AMENDING LAWS 2006, CHAPTER 356, SECTION 1; AMENDING LAWS 2007, CHAPTER 256, SECTION 8; AMENDING LAWS 2007, CHAPTER 257, SECTION 7; MAKING APPROPRIATIONS; PRESCRIBING BUDGET REDUCTIONS, LIMITATIONS AND TRANSFERS FOR FISCAL YEAR 2007-2008.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Appropriation reductions; fiscal year 2007-2008

A. Notwithstanding any other law, the following amounts are reduced from the state general fund in fiscal year 2007-2008 as listed below from appropriations made to state agencies:

1. Department of administration - $1,484,800.
2. Arizona department of agriculture - $600,000.
3. Office of administrative hearings - $4,500.
4. Commission on the arts - $100,000.
5. Attorney general - $500,000.
6. Arizona biomedical research commission - $1,000,000.
7. State capital postconviction defender office - $15,000.
8. Department of commerce - $1,850,000.
9. Corporation commission - $175,000.
10. State department of corrections - $19,416,900.
11. Arizona criminal justice commission - $1,000,000.
12. Department of economic security - $12,550,000.
13. Department of education - $50,050,000.
14. Department of environmental quality - $600,000.
15. Governor's office of equal opportunity - $13,000.
16. State board of equalization - $14,000.
17. Board of executive clemency - $60,000.
18. Department of financial institutions - $200,000.
19. Department of fire, building and life safety - $300,000.
20. Arizona geological survey - $60,000.
21. Government information technology agency - $600,000.
22. Office of the governor - $225,000.
23. Governor's office of strategic planning and budgeting - $69,400.
24. Department of health services - $4,907,300.
25. Arizona historical society - $80,000.
26. Prescott historical society - $15,000.
27. Arizona commission of Indian affairs - $5,000.
28. Department of insurance - $435,500.
29. Judiciary - supreme court - $447,800.
30. Judiciary - court of appeals - $45,000.
31. Judiciary - superior court - $653,500.
32. Department of juvenile corrections - $1,054,200.
33. State land department - $1,200,000.
34. Law enforcement merit system council - $2,000.
35. Auditor general - $563,700.
36. House of representatives - $370,000.
37. Joint legislative budget committee - $90,000.
38. Legislative council - $171,000.
39. Arizona state library, archives & public records - $233,000.
40. Senate - $256,000.

41. Department of liquor licenses and control - $150,000.
42. Department of mines and mineral resources - $25,000.
43. Arizona state parks board - $345,000.
44. Arizona pioneers' home - $63,000.
45. Commission for postsecondary education - $3,700,000.
46. Department of public safety - $1,121,100.
47. Arizona department of racing - $150,000.
48. Radiation regulatory agency - $80,000.
49. State real estate department - $230,800.
50. Department of revenue - $2,393,300.
51. School facilities board - $8,000,000.
52. Secretary of state - $138,000.
53. State board of tax appeals - $6,300.
54. Office of tourism - $1,000,000.
55. Department of transportation - $2,000.
56. State treasurer - $169,000.
57. Arizona board of regents - $875,000.
58. Universities - all campuses - $14,700,000.
59. Arizona state university - main campus - $5,250,000.
60. University of Arizona - main campus - $5,250,000.
61. Department of weights and measures - $100,000.

B. The department of economic security may shift existing full-time equivalent positions from other divisions within the agency to the division of benefits and medical eligibility.

C. The state board of education share of the department of education reduction shall not exceed $500,000.

D. Notwithstanding any other law, monies remaining from the appropriations to the department of education in fiscal years prior to fiscal year 2007-2008 may be used by the department in fiscal year 2007-2008 to offset the appropriation reductions prescribed for the department.

E. The department of health services reduction may not be taken against the appropriation made for abstinence funding.

F. The sum of $25,257,400 in additional expenditure authority is provided in fiscal year 2007-2008 to the department of health services for supplemental funding.

G. The department of public safety reduction may not be taken against the appropriations made for the gang and immigration intelligence team enforcement mission (GIITEM).

H. Notwithstanding section 35-173, subsection C, Arizona Revised Statutes, or other requirements set forth in the fiscal year 2007-2008 general appropriations bill, the department of health services may make special line item transfers related to the fiscal year 2007-2008 behavioral health supplemental on approval by the governor's office of strategic planning and budgeting. The department of health services shall notify the joint legislative budget committee of these transfers.

Sec. 2. Transfer of fund monies to the state general fund; fiscal year 2007-2008

A. Notwithstanding any other law, on or before June 30, 2008, the following amounts from the funds or sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. Accountancy board fund - $2,056,000.
2. Acupuncture board fund - $100,000.
3. Certificate of participation fund - $1,266,700.
4. Construction insurance fund - $4,170,200.
5. Motor vehicle pool revolving fund - $3,237,500.
6. Retiree accumulated sick leave fund - $3,483,900.
7. Department of administration - risk management revolving fund - $6,614,400.
8. State employee suggestion program award fund - $63,100.
9. Management services division plan deposits fund - $44,400.
10. Arizona grain research fund - $80,000.
11. Arizona citrus research council fund - $40,000.
12. Seed law fund - $25,000.
13. Aquaculture fund - $20,000.
14. Arizona iceberg lettuce research council fund - $41,400.
15. Commodity promotion fund - $30,000.
16. Pesticide fund - $15,000.
17. Fertilizer materials fund - $300,000.
18. Children's health insurance program fund - $1,506,200.
19. Board of appraisal fund - $537,900.
20. Attorney general - anti-racketeering revolving fund - $500,000.
21. Attorney general - prosecuting attorney council fund - $1,000,000.
22. Board of barbers fund - $400,000.
23. Chiropractic board fund - $100,000.
24. Job training fund - $13,000,000.
25. Military installation fund - $300,000.
26. Registrar of contractors fund - $2,066,300.
27. Utility regulation revolving fund - $1,680,300.
28. State department of corrections revolving fund - $800,000.
29. Transition office fund - $800,000.
30. Transition program drug treatment fund - $1,300,000.
31. State department of corrections - CJEF distributions fund - $1,000,000.
32. Board of cosmetology fund - $3,091,800.
33. Arizona criminal justice commission - driving under the influence abatement fund - $1,200,000.
34. Victims compensation and assistance fund - $2,000,000.
35. Telecommunication fund for the deaf - $5,553,600.
36. Dental board fund - $4,200,000.

37. Spinal and head injuries trust fund - $2,000,000.
38. Department of economic security - Arizona training program - Phoenix fund - $1,600,000.
39. Department of economic security - Mesa land fund - $400,000.
40. Special education fund - $15,500,000.
41. Department of education - internal services fund - $525,100.
42. English learner classroom personnel bonus fund - $200,000.
43. State armory property fund - $100,000.
44. Department of environmental quality - recycling fund - $1,097,100.
45. Clean air in-lieu fee account and Arizona clean air fund balance fund - $5,088,700.
46. Underground storage tank revolving fund - $28,419,700.
47. Water quality assurance revolving fund - $3,000,000.
48. Escrow guaranty fund - $1,000,000.
49. Funeral directors and embalmers fund - $100,000.
50. Game and fish watercraft license fund - $4,732,700.
51. Arizona game and fish department - off-highway vehicle recreation fund - $395,000.
52. Game and fish fund - $2,827,600.
53. Livestock/breeders award fund - $2,000,000.
54. Department of health services - intergovernmental agreements - $17,189,900.
55. Emergency medical services operating fund - $6,200,000.
56. Department of health services - indirect cost fund - $6,100,000.
57. Substance abuse treatment fund - $1,500,000.
58. Department of health services - indirect cost recovery fund - $10,500.
59. Serious mental illness fund - $43,400.
60. Department of health services - internal services fund - $107,800.
61. Vital records electronic systems fund - $500,000.
62. Hearing and speech professionals fund - $400,000.
63. Medical services stabilization fund - $138,700.
64. Tobacco tax and health care fund - health education account - $2,000,000.
65. Housing program fund - $2,775,900.
66. Housing trust fund - $10,244,000.
67. Housing development fund - $364,000.
68. Industrial commission administrative fund - $3,530,900.
69. Juvenile delinquent reduction fund - $1,552,900.
70. Judicial collection enhancement fund - $1,500,000.
71. Supreme court CJEF disbursement fund - $1,500,000.
72. Arizona lengthy trial fund - $1,000,000.
73. Department of juvenile corrections - criminal justice enhancement fund - $300,000.

74. Department of juvenile corrections - state education system for committed youth - $500,000.
75. Liquor license special collections fund - $500,000.
76. State lottery fund - $5,996,400.
77. Arizona medical board fund - $1,350,000.
78. Medical student loan fund - $179,000.
79. Naturopathic physician examiners board fund - $1,000,000.
80. Nursing board fund - $75,000.
81. Osteopathic board fund - $250,000.
82. Parents commission on drug education and prevention - drug treatment and education fund - $2,000,000.
83. Arizona state parks board - off-highway vehicle recreation fund - $1,500,000.
84. State lake improvement fund - $4,100,000.
85. Board of pharmacy fund - $2,500,000.
86. Physical therapy board fund - $100,000.
87. Auto fingerprint identification fund - $300,000.
88. DNA identification system fund - $600,000.
89. Department of public safety licensing fund - $500,000.
90. Highway patrol fund - $700,000.
91. County fair racing fund - $125,000.
92. Breeders award fund - $150,000.
93. Condominium recovery fund - $5,000.
94. Real estate recovery fund - $225,000.
95. Estate and unclaimed property fund - $1,132,800.
96. Liability set-off fund - $1,000,000.
97. School improvement revenue bond debt service fund - $1,000,000.
98. Economic strength project fund - $2,000,000.
99. Motor vehicle liability insurance enforcement fund - $5,400,000.
100. State aviation fund - $18,100,000.
101. Transportation department equipment fund - $3,100,000.
102. Vehicle inspection and title enforcement fund - $1,100,000.
103. Funding given to department of environmental quality for state trust land settlement - $2,025,500.
104. Budget stabilization fund - $487,000,000.

B. The transfer from the game and fish fund shall be made from monies deposited in the fund pursuant to a legal settlement and shall not be made from monies associated with license fees.

Sec. 3. Appropriations; reversions; state general fund

Notwithstanding any other law, the unexpended and unencumbered balance of the following appropriations revert to the state general fund on the effective date of this act:

1. Veteran's nursing home -- Laws 1989, chapter 205, section 1 and Laws 1990, chapter 203, section 1 - $35,823.73.

2. Environmental assessment-Phoenix area -- Laws 1990, third special session, chapter 1, section 26, as amended by Laws 1991, first special session, chapter 2, section 1 - $8,849.29.

3. Occupational safety and health review board -- Laws 1991, chapter 287, section 51 - $127.67.

4. Department of economic security statewide building renewal -- Laws 1992, ninth special session, chapter 2, section 1 - $20.24.

5. Arizona office in Sonora -- Laws 1993, chapter 119, section 4 - $7,782.62.

6. Border volunteer corps -- Laws 1994, chapter 141, section 2, as amended by Laws 1995, chapter 106, section 4 - $34,704.67.

7. Department of juvenile corrections statewide building renewal -- Laws 1994, eighth special session, chapter 2, section 1 - $3,793.72.

8. Department of commerce NAFTA CANAMEX corridor -- Laws 1995, chapter 209, section 1, subsection A, paragraph 2, as repealed by Laws 1998, chapter 257, section 7 - $19,874.45.

9. Department of commerce NAFTA coordination -- Laws 1995, chapter 209, section 1, subsection A, paragraph 3, as repealed by Laws 1998, chapter 257, section 7 - $37,776.78.

10. Governor's telecommunications policy office -- Laws 1995, chapter 246, section 6 - $504.12.

11. Building renewal-Mesa armory -- Laws 1995, first special session, chapter 2, section 1 - $1,325.20.

12. State hospital condensate receiver -- Laws 1995, first special session, chapter 2, section 2, as amended by Laws 1995, chapter 229, section 10 - $4,700.00.

13. Building renewal-Cholla facility -- Laws 1996, fifth special session, chapter 2, section 1 - $11,655.00.

14. Building renewal-Coolidge impact study -- Laws 1996, fifth special session, chapter 2, section 1 - $4,948.26.

15. Department of health services-building renewal -- Laws 1996, fifth special session, chapter 2, section 1 - $30.00.

16. Department of education-family literacy program -- Laws 1998, chapter 295, section 11 - $1,373.25.

17. State board of nursing-fingerprinting costs -- Laws 1999, chapter 276, section 3 - $90,197.96.

18. Department of economic security-summer youth program -- Laws 1999, first special session, chapter 1, section 29, as amended by Laws 2000, chapter 3, section 8, Laws 2000, chapter 281, section 1, Laws 2001, chapter 232, section 9 and Laws 2002, chapter 329, section 18 - $32,446.40.

19. Department of education school safety program -- Laws 1999, first special session, chapter 1, section 30, as amended by Laws 2000, chapter 2, section 1 and Laws 2001, chapter 232, section 10 and Laws 2001, chapter 236, section 31, as amended by Laws 2001, chapter 364, section 4 - $2,043.81.

20. Department of education accountability measures -- Laws 1999, first special session, chapter 1, section 30, as amended by Laws 2000, chapter 2, section 1 and Laws 2001, chapter 232, section 10 - $50.00.

21. Governor's Arizona-Sonora study -- Laws 1999, first special session, chapter 1, section 42 - $5,200.00.

22. Department of economic security-Hopi senior center -- Laws 2000, chapter 217, section 1 - $22,096.88.

23. Governor's executive order for September terrorism incident emergency-2001 - $106,916.95.

24. Occupational safety and health review board lump sum appropriation -- Laws 2001, chapter 236, section 68 - $6,947.00.

25. State treasurer property tax refund -- Laws 2001, chapter 236, section 99 - $.20.

26. AHCCCS emergency services -- Laws 2001, second special session, chapter 8, section 9 - $73.06.

27. English learner FTE -- Laws 2001, second special session, chapter 9, section 14, subsection B - $2,388.84.

28. English learner FTE -- Laws 2001, second special session, chapter 9, section 14, subsection C - $2,634.01.

29. English learner pilot -- Laws 2001, second special session, chapter 9, section 16, subsection B - $342.40.

30. Department of commerce military installation -- Laws 2004, chapter 235, section 14, subsection A - $24,830.46.

31. Department of liquor licenses and control-data processing -- Laws 2005, chapter 284, section 17 - $1,250,000.00.

32. Department of health services nonrenal disease management -- Laws 2006, chapter 366, section 2, subsection A - $100,000.00.

Sec. 4. Supplemental appropriation; commission for postsecondary education

The sum of $675,000 is appropriated from the postsecondary education fund in fiscal year 2007-2008 to the commission for postsecondary education for increases in the leveraging educational assistance partnership line item.

Sec. 5. Supplemental appropriation; Arizona state retirement system

The sum of $267,700 is appropriated from the state retirement system administration account in fiscal year 2007-2008 to the Arizona state retirement system for increases in employee related expenditures.

Sec. 6. ASRS technology appropriations; lapsing extension

Notwithstanding any other law, the amounts appropriated to the information technology plan special line item for the Arizona state retirement system for fiscal year 2005-2006 by Laws 2005, chapter 286, section 87, as amended by Laws 2006, chapter 316, section 6, and Laws 2007, chapter 259, section 17, are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2009.

Sec. 7. Supplemental appropriation; GITA

The sum of $500,000 is appropriated from the information technology fund in fiscal year 2007-2008 to the government information technology agency for the statewide information security and privacy office.

Sec. 8. Supplemental appropriation; supplemental reduction; Arizona health care cost containment system

A. The sum of $4,734,700 is appropriated from the state general fund and $44,929,800 in additional expenditure authority of federal monies is appropriated in fiscal year 2007-2008 to the Arizona health care cost containment system for supplemental funding.

B. The appropriation made to the Arizona health care cost containment system in fiscal year 2007-2008 is reduced by $13,152,200 from the tobacco tax and health care fund - medically needy account and reduced by $4,163,800 from the tobacco products tax fund - emergency health services account to account for a shortfall in tobacco tax revenues.

Sec. 9. County transfers; fiscal year 2007-2008; appropriation; AHCCCS

A. In fiscal year 2007-2008, counties with a population of two million or more persons shall transfer $5,500,800 and counties with a population of more than eight hundred thousand persons but less than two million persons shall transfer $1,526,000 to the Arizona health care cost containment system administration for deposit into the budget neutrality compliance fund administered by the Arizona health care cost containment system.

B. The sum of $7,026,800 is appropriated from the budget neutrality compliance fund in fiscal year 2007-2008 to the Arizona health care cost containment system.

Sec. 10. Supplemental appropriation; Arizona navigable stream adjudication commission

A. The sum of $200,000 is appropriated to the Arizona navigable stream adjudication commission from the state general fund in fiscal year 2007-2008 for operating expenses.

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.

Sec. 11. Supplemental appropriation; state land department

The sum of $40,000 is appropriated to the state land department from the environmental special plate fund in fiscal year 2007-2008 for the natural resource conservation districts special line item.

Sec. 12. Supplemental appropriation; state board of nursing

The sum of $328,200 is appropriated from the board of nursing fund to the state board of nursing in fiscal year 2007-2008 to investigate certified nursing assistants.

Sec. 13. Supplemental appropriations; department of economic security; transfer

A. The sum of $17,500,000 is appropriated from the federal TANF block grant to the department of economic security for supplemental funding for child protective services staff, adoption services, eligibility workers and children services.

B. The sum of $15,000,000 is appropriated from the state general fund in fiscal year 2007-2008 to the department of economic security division of developmental disabilities for supplemental funding for long-term care.

C. The sum of $30,000,000 in expenditure authority of federal monies is appropriated in fiscal year 2007-2008 to the department of economic security division of developmental disabilities for supplemental funding for long-term care.

D. Before the end of fiscal year 2007-2008, the department of economic security shall transfer $25,000,000 from the long-term care system fund to the state general fund.

Sec. 14. Capital outlay appropriations; major capital projects; department of administration 2007-2008; reversion

Of the $5,200,000 appropriated from the state general fund in fiscal year 2007-2008 to the department of administration for prison cell locks and cell doors replacement, the sum of $2,000,000 reverts to the state general fund on the effective date of this act.

Sec. 15. Appropriation; Yuma welcome center; reversion

Notwithstanding Laws 2007, chapter 257, section 9, the sum of $1,000,000 for the Arizona welcome center reverts to the state general fund on the effective date of this act.

Sec. 16. Arizona health care cost containment system hospital residency loan program funding; fiscal year 2006-2007; reversion

Of the $1,000,000 appropriated from the state general fund to the Arizona health care cost containment system for the hospital residency loan program line item for fiscal year 2006-2007, $100,000 reverts to the state general fund on the effective date of this act.

Sec. 17. School facilities board building renewal funding; reversion

Notwithstanding any other law, $2,456,000 appropriated from the state general fund to the building renewal fund in fiscal years prior to fiscal year 2007-2008 revert to the state general fund on the effective date of this act.

Sec. 18. Appropriation reduction; school facilities board building renewal fund

Notwithstanding any other law, the appropriation from the state general fund to the building renewal fund for fiscal year 2007-2008, as specified by Laws 2007, chapter 255, section 90, is reduced by $43,141,700.

Sec. 19. Appropriation reduction; Arizona water protection fund

Notwithstanding any other law, the appropriation from the state general fund to the Arizona water protection fund for fiscal year 2007-2008, as specified by Laws 2007, chapter 255, section 104, is reduced by $1,000,000.

Sec. 20. Appropriation reduction; water quality assurance revolving fund

Notwithstanding any other law, the appropriation from the state general fund to the water quality assurance revolving fund for fiscal year 2007-2008 shall not exceed $13,000,000.

Sec. 21. Department of public safety; state highway fund; appropriations; limitation

A. Notwithstanding section 28-6993, Arizona Revised Statutes, the statutory cap limiting the level of state highway fund monies available to fund department of public safety highway patrol costs is suspended for fiscal year 2007-2008.

B. Notwithstanding any other law, the sum of $42,000,000 appropriated from the state highway fund to the Arizona department of transportation for the statewide transportation acceleration needs account established by section 28-7009, Arizona Revised Statutes, shall be transferred to the department of public safety for highway patrol costs in fiscal year 2007-2008.

C. Notwithstanding any other law, $42,000,000 appropriated from the state general fund to the department of public safety for highway patrol costs in fiscal year 2007-2008 shall not be expended or encumbered.

Sec. 22. State owned space rent adjustments; appropriations

A. Notwithstanding section 41-792.01, Arizona Revised Statutes, and in addition to adjustments for state-owned agencies rent in Laws 2007, chapter 255, section 109, $1,060,000 is appropriated from the state general fund and $280,000 from applicable other appropriated funds as determined by the joint legislative budget committee staff in fiscal year 2007-2008 to increase the rental rates for state-owned office space from $19.50 per square foot to $21.02 per square foot and for state-owned storage space from $7.00 per square foot to $7.62 per square foot. The department of administration shall charge agencies the new rental rates and deposit the collected rent in the capital outlay stabilization fund.

B. The sum of $1,466,100 is appropriated from the capital outlay stabilization fund to the department of administration in fiscal year 2007-2008 for utility costs.

Sec. 23. Hiring appropriations; fiscal year 2007-2008; revertment

A. Notwithstanding any other law, $5,309,300 appropriated from the state general fund and $4,690,700 appropriated from other state funds listed in Laws 2007, chapter 255, section 109 that were appropriated to state budget units for fiscal year 2007-2008 and from nonfederal nonappropriated funds for hiring of state employees shall not be expended or encumbered. The joint

legislative budget committee staff and the governor's office of strategic planning and budgeting shall determine and the department of administration shall allocate the amount of the revertment or transfer to each state agency or department.

B. The amounts determined pursuant to subsection A of this section shall remain in or be reverted or transferred to the state general fund on the effective date of this act.

Sec. 24. Reduction in school district state aid apportionment; fiscal year 2007-2008

A. Notwithstanding any other law, the state board of education shall defer until August 1, 2008 $272,000,000 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts under that law on June 15, 2008.

B. The funding deferral required by this section does not apply to charter schools.

Sec. 25. Appropriations; school districts; disbursements

A. The sum of $272,000,000 is appropriated in fiscal year 2008-2009 from the state general fund to the state board of education and superintendent of public instruction for basic state aid and additional state aid entitlement for fiscal year 2008-2009. This appropriation shall be disbursed on August 1, 2008 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 section 23 of this act for fiscal year 2007-2008.

B. The sum of $627,700 is appropriated in fiscal year 2008-2009 from the state general fund to the state board of education and the superintendent of public instruction for any costs to school districts that may be associated with the reductions in apportionment of basic state aid and additional state aid for fiscal year 2007-2008 that are required pursuant to section 23 of this act. This appropriation shall be disbursed on August 1, 2008 to the several counties for the school districts in each county and shall be allocated based on the per cent of the total $272,000,000 deferred payment for fiscal year 2007-2008 that is attributable to each individual school district.

C. Notwithstanding any provision of law, for fiscal year 2008-2009, if the governing board of a school district incurred interest expenses for registering warrants in fiscal year 2007-2008 or expects to incur interest expenses for registering warrants in fiscal year 2008-2009 pursuant to section 23 of this act, the governing board may budget an estimated amount for those interest expenses. Any such amount is specifically exempt from the revenue control limit in fiscal year 2008-2009. If the budgeted estimate amount is greater than the amount received pursuant to subsection B of this section, the governing board shall not expend more than the amount received pursuant to subsection B of this section. If the budgeted estimate amount is less than the amount received pursuant to subsection B of this section, the

governing board may revise its budget during fiscal year 2008-2009 to include the actual amount received pursuant to subsection B of this section and shall not expend more than the amount received pursuant to subsection B of this section.

Sec. 26. Fiscal year 2007-2008 conditional transfer; budget stabilization fund; notice

A. If, as determined by the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting pursuant to subsection B, the preliminary fiscal year 2007-2008 state general fund ending balance is less than $0, the state treasurer shall transfer an amount equal to the negative ending balance plus $1,000,000 from the budget stabilization fund to the state general fund.

B. On or before July 29, 2008, the staff director 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 and the speaker of the house of representatives whether the preliminary fiscal year 2007-2008 state general fund ending balance is less than $0 and, if so, the total ending balance amount.

C. Any transfer made pursuant to this section shall be in addition to the transfer made from the budget stabilization fund in section 2 of this act.

Sec. 27. Fiscal year 2007-2008 conditional appropriation; department of education; notice

A. If, as determined by the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting pursuant to subsection B, the preliminary fiscal year 2007-2008 state general fund ending balance is greater than $1,000,000, the amount above $1,000,000 is appropriated to the department of education for basic state aid and additional state aid entitlement for fiscal year 2008-2009.

B. On or before July 29, 2008, the staff director 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 and the speaker of the house of representatives whether the preliminary fiscal year 2007-2008 state general fund ending balance is greater than $1,000,000 and, if so, the total ending balance amount.

Sec. 28. Laws 2006, chapter 335, section 1, as amended by Laws 2007, chapter 257, section 1, is amended to read:

Section 1. Conditional appropriation; Arizona welcome center; exemption

A. The sum of $2,000,000 is appropriated from the state general fund in fiscal year 2006-2007 to the office of tourism for distribution to the city of Yuma to establish an Arizona welcome center provided that the office of tourism determines and informs the joint legislative budget committee that:

1. All plans for the center are delivered to the city of Yuma.

2. The city of Yuma receives ownership of the property or the property is conveyed by license to the city of Yuma.

B. The city of Yuma shall not expend more than $500,000 on planning and design for the Arizona welcome center.

C. The appropriation made in subsection A of this section shall be for start-up capital and the city of Yuma shall bear the cost of ongoing operation and maintenance of the center through its city-funded convention and visitors bureau.

D. 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, EXCEPT THAT $1,500,000 REVERTS TO THE STATE GENERAL FUND ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

Sec. 29. Laws 2006, chapter 345, section 7 is amended to read:

Sec. 7. Appropriations and distributions; microwave communications system; department of public safety; report

A. The sum of $1,500,000 is appropriated from the state general fund in each of the fiscal years 2006-2007~~, 2007-2008~~ and 2008-2009 AND THE SUM OF $1,000,000 IS APPROPRIATED IN FISCAL YEAR 2007-2008 to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

B. The sum of $826,000 is appropriated from the state highway fund in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the department of transportation for distribution to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

C. The sum of $207,000 is appropriated from the game and fish fund in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the game and fish department for distribution to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

D. The department of public safety shall submit an expenditure plan and project timeline to the joint legislative budget committee for review before expending any monies appropriated for the microwave communications system upgrade. The submission shall include the results of the project investment justification approval by the information technology authorization committee. The department of public safety shall submit a report to the joint legislative budget committee for review regarding expenditures and progress by December 31, 2006 and June 30, 2007.

E. It is the intent of the legislature that $1,600,000 of federal homeland security monies be distributed in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to fund the department of public safety microwave communications system upgrade.

F. Of the appropriations made in this section for the microwave communications system, the department of public safety may use up to $295,600 annually for up to 4 FTE positions to provide project management.

Sec. 30. Laws 2006, chapter 345, section 10 is amended to read:

Sec. 10. State archives and history building; appropriation

The sum of $8,000,000 is appropriated from the state general fund in fiscal year 2007-2008 to the legislative council for ~~completion of~~ the Polly Rosenbaum state archives and history building, EXCEPT THAT $2,000,000 REVERTS TO THE STATE GENERAL FUND ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

Sec. 31. Laws 2006, chapter 356, section 1 is amended to read:

Section 1. Appropriation; purpose; exemption

A. The sum of $10,000,000 is appropriated from the state general fund in fiscal year ~~2006-2007~~ 2008-2009 to the department of veterans' services for construction and establishment of a veterans' home facility in Tucson pursuant to section 41-603, subsection C, Arizona Revised Statutes.

B. The amount appropriated in subsection A of this section is intended to be this state's share of the costs, and is not subject to expenditure for any purpose unless the department of veterans' services has irrevocable commitments from the United States government for funding at least sixty-five per cent of the total costs.

C. 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, except that any amount of the appropriation that is unexpended and unencumbered on June 30, ~~2008~~ 2010 reverts to the state general fund.

Sec. 32. Laws 2007, chapter 256, section 8 is amended to read:

Sec. 8. Department of emergency and military affairs; project challenge; appropriation; exemption

Notwithstanding any other law, $500,000 of the amounts appropriated for project challenge in the department of emergency and military affairs for fiscal year 2005-2006 by Laws 2005, chapter 286, section 31, as exempted from lapsing by Laws 2006, chapter 316, section 11, ~~and~~ $500,000 of the amounts appropriated for project challenge in the department of emergency and military affairs for fiscal year 2006-2007 by Laws 2006, chapter 334, section 12~~,~~ AND $100,000 OF THE AMOUNT APPROPRIATED FOR PROJECT CHALLENGE IN THE DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS FOR FISCAL YEAR 2007-2008 BY LAWS 2007, CHAPTER 255, SECTION 30 are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, ~~2008~~ 2009.

Sec. 33. Laws 2007, chapter 257, section 7 is amended to read:

Sec. 7. Old health laboratory renovation; appropriations; review

A. The sum of ~~$2,207,000~~ $1,207,000 is appropriated from the state general fund ~~in each of fiscal years 2007-2008 and 2008-2009~~ IN FISCAL YEAR 2007-2008 AND THE SUM OF $2,207,000 IS APPROPRIATED FROM THE STATE GENERAL FUND IN FISCAL YEAR 2008-2009 to the department of administration for renovation of the old health laboratory.

B. Pursuant to section 41-1252, Arizona Revised Statutes, the department of administration shall submit the scope and estimated cost of the project to the joint committee on capital review for its review.

APPROVED BY THE GOVERNOR APRIL 18, 2008.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2008.