Senate Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
Senate
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 126

SENATE BILL 1527

AN ACT

MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Capital outlay appropriations; major maintenance and repair of state buildings; reports

A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the amounts appropriated in this section are appropriated for fiscal year 2016-2017 to be used by the applicable agency for major maintenance and repair activities for state buildings in accordance with title 41, chapter 4, article 7, Arizona Revised Statutes. Of the amounts appropriated to the department of administration, up to $275,000 in personal services and employee-related expenditures for up to five FTE positions may be allocated each fiscal year until the building renewal projects are completed. All other monies appropriated in this section may not be spent for personal services or employee-related expenditures or for maintenance contracts on building components and equipment without review by the joint committee on capital review.

B. DEPARTMENT OF ADMINISTRATION	$27,000,000
Fund source:	
State general fund	$ 8,000,000
Capital outlay stabilization fund	$19,000,000

The department of administration shall allocate $4,200,000 of the appropriation in this subsection for the renovation of the department of health services building at 1740 West Adams. Before spending the monies allocated for this purpose, the department of administration shall submit a report on tenant relocation, including any planned consolidation of state agencies, the current commitment of new tenants and the timeline and estimated costs for relocation for review by the joint committee on capital review.

The department of administration shall allocate $120,000 of the appropriation in this subsection to repair the 1938 Works Progress Administration civic building on the state fair grounds. The department may not spend the monies allocated for this purpose unless the department receives matching monies from the city of Phoenix to repair the building and this state maintains control and ownership of the building.

The department of administration shall allocate the monies to state agencies for necessary building renewal. If monies in the capital outlay stabilization fund established by section 41-792.01, Arizona Revised Statutes, are insufficient to fund the appropriation to the department of administration for building renewal, the appropriation to the department of administration is reduced by the difference between the amount appropriated to the department of administration from the capital outlay stabilization fund and the balance in the capital outlay stabilization fund.

On or before January 31, 2017 and July 31, 2017, the department of administration shall report to the joint legislative budget committee staff on the status of all building renewal projects and building renewal expenditures.

C. STATE DEPARTMENT OF CORRECTIONS $ 5,464,300
Fund source:
Department of corrections building renewal fund $ 5,464,300

On or before January 31, 2017 and July 31, 2017, the state department of corrections shall report to the joint legislative budget committee staff on the status of all building renewal projects and building renewal expenditures. The department may not spend any of this appropriation on personal services or overhead expenses related to the management of the funded projects.

D. ARIZONA GAME AND FISH DEPARTMENT $ 530,000
Fund source:
Game and fish fund $ 530,000

E. DEPARTMENT OF JUVENILE CORRECTIONS $ 1,100,000
Fund source:
Criminal justice enhancement fund $ 1,100,000

F. ARIZONA STATE LOTTERY COMMISSION $ 118,100
Fund source:
State lottery fund $ 118,100

G. DEPARTMENT OF TRANSPORTATION $ 4,232,300
Fund sources:
State highway fund $ 4,000,000
State aviation fund $ 232,300

Sec. 2. Appropriation; Arizona game and fish department; capital improvements; radio towers

A. The sum of $306,000 is appropriated from the game and fish fund established by section 17-261, Arizona Revised Statutes, in fiscal year 2016-2017 to the Arizona game and fish department for capital improvements to radio towers.

B. Before spending the appropriation in subsection A of this section, the Arizona game and fish department shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 3. Appropriation; Arizona game and fish department; capital improvements; boat structures

A. The sum of $874,900 is appropriated from the watercraft licensing fund prescribed by section 5-323, Arizona Revised Statutes, in fiscal year 2016-2017 to the Arizona game and fish department for capital improvements to boat structures.

B. Before spending the appropriation in subsection A of this section, the Arizona game and fish department shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 4. Appropriation; Arizona game and fish department; capital improvements

A. The sum of $3,867,000 is appropriated from the game and fish fund established by section 17-261, Arizona Revised Statutes, in fiscal year 2016-2017 to the Arizona game and fish department for capital improvements.

B. Before spending the appropriation in subsection A of this section, the Arizona game and fish department shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 5. Appropriation; Arizona state parks board; capital improvements

A. The sum of $1,500,000 is appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, in fiscal year 2016-2017 to the Arizona state parks board for capital improvements.

B. Before spending the appropriation in subsection A of this section, the Arizona state parks board shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 6. Appropriation; department of veterans' services; veterans' home; Flagstaff; exemption

A. The sum of $10,000,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of veterans' services for the establishment and construction of a veterans' home facility in Flagstaff.

B. The amount appropriated in subsection A of this section is intended to be this state's share of the costs of a veterans' home facility in Flagstaff. The department may not spend the appropriation for any purpose unless the department receives an irrevocable commitment from the United States government to fund at least sixty-five percent of the total costs of a veterans' home facility in Flagstaff.

C. Before spending the appropriation in subsection A of this section, the department of veterans' services shall submit the scope, purpose and estimated cost of the veterans' home facility in Flagstaff to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

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.

Sec. 7. Appropriation; department of transportation; vehicle wash system

A. The sum of $5,530,000 is appropriated from the state highway fund established by section 28-6991, Arizona Revised Statutes, in fiscal year 2016-2017 to the department of transportation for the construction of ten vehicle wash systems.

B. Before spending the appropriation in subsection A of this section, the department of transportation shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 8. Appropriation; department of transportation; Interstate 10 projects; exemption from review; alternative use

A. The sum of $30,000,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of transportation for Interstate 10 widening projects. These monies shall be combined with funding from the federal fostering advancements in shipping and transportation for the long-term achievement of national efficiencies grant to widen:

1. Interstate 10 from Earley Road to Interstate 8.

2. The Interstate 10 interchange with state route 87.

B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

C. Notwithstanding any other law or board policy related to the allocation of state highway fund discretionary monies, if the department of transportation does not receive a federal fostering advancements in shipping and transportation for the long-term achievement of national efficiencies grant, the appropriation made in subsection A of this section shall be placed in a subaccount of the state highway fund and used for statewide highway construction as part of the five year transportation facilities construction program established pursuant to section 28-6951, Arizona Revised Statutes.

Sec. 9. Appropriation; department of transportation; state route 189; exemption from review; alternative use

A. The sum of $25,000,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of transportation for the acceleration of the state route 189 construction project from the Mariposa port of entry to Interstate 19.

B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

C. Notwithstanding any other law or board policy related to the allocation of state highway fund discretionary monies, if the department of transportation is unable to use the appropriation made in subsection A of this section to accelerate construction of the state route 189 project from fiscal year 2020-2021 to at least fiscal year 2018-2019, or if the department is successful in its application for a $25,000,000 transportation investment generating economic recovery grant for the state route 189 project, the appropriation made in subsection A of this section shall be placed in a subaccount of the state highway fund and used for statewide highway construction as part of the five year transportation facilities construction program established pursuant to section 28-6951, Arizona Revised Statutes.

Sec. 10. Appropriation; department of transportation; route H60; exemption from review

A. The sum of $1,500,000 is appropriated from the state general fund in fiscal year 2016-2017 to the department of transportation for distribution to the Navajo Nation for the route H60 construction project.

B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

Sec. 11. Capital outlay appropriations; major capital projects; department of transportation; reports

	2016-2017
Department of transportation:	
1. Statewide highway construction	$270,615,000
Fund source:	
State highway fund	$270,615,000

The amount appropriated for highway construction is from the state highway fund established by section 28-6991, Arizona Revised Statutes, for the planning and construction of state highways, including the national system of interstate highways within this state, the state primary or secondary system, the county primary or secondary system and urban rural routes, the acquisition of rights-of-way, the cost of contracted field administration and field engineering on construction projects and debt service payments on bonds issued for highway construction. Any balances and collections in the state highway fund in excess of the specific amounts appropriated in the general appropriation act and in this act are appropriated to the department for the purposes provided in this paragraph.

The department of transportation shall report on or before November 1, 2016 to the joint committee on capital review on its actual prior year, estimated current year and upcoming budget year highway construction expenses from all fund sources, including appropriated monies, federal monies, local agency monies, state highway monies, bond proceeds and regional area road monies. The report shall be in the same format as in the prior year unless modifications have been approved by the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting.

On or before November 1, 2016, the department of transportation shall report capital outlay information for fiscal years 2015-2016, 2016-2017 and 2017-2018 to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting. This information shall appear in the same format as tables two, three and five, as found in the fiscal year 2015-2016 appropriations report.

On or before November 1, 2016, the department of transportation shall report the department's estimated outstanding debt principal balance at the end of fiscal year 2017-2018 and the estimated debt service payment amount for fiscal year 2017-2018 to the directors of the joint legislative budget

committee and the governor's office of strategic planning and budgeting. This report shall include state highway fund statewide construction bonds, Arizona highway user revenue fund, Maricopa association of governments and Pima association of governments controlled access bonds, Maricopa regional area road fund bonds and grant anticipation notes and is intended to be comparable to the information in the fiscal year 2015-2016 appropriations report.

2. Airport planning and development $ 19,079,900

Fund source:

State aviation fund $ 19,079,900

The amount is appropriated from the state aviation fund established by section 28-8202, Arizona Revised Statutes, for the planning, construction, development and improvement of state, county, city or town airports as determined by the state transportation board. Any balances and collections in the state aviation fund in excess of the specific amounts appropriated in the general appropriation act and in this act are appropriated to the department of transportation for the purposes provided in this paragraph.

Total appropriation - department of transportation $289,694,900

Fund sources:

State highway fund $270,615,000

State aviation fund $ 19,079,900

Sec. 12. Appropriation; Arizona exposition and state fair board; capital improvements; review

A. The sum of $1,000,000 is appropriated from the Arizona exposition and state fair fund established by section 3-1005, Arizona Revised Statutes, in fiscal year 2016-2017 to the Arizona exposition and state fair board for capital improvements.

B. Before spending the appropriation in subsection A of this section, the Arizona exposition and state fair board shall submit the scope, purpose and estimated cost of the capital improvements to the joint committee on capital review for its review pursuant to section 41-1252, Arizona Revised Statutes.

Sec. 13. Department of administration reports; FTE positions; reallocations

A. The department of administration shall report on the status of project-specific FTE positions for capital projects in its annual capital budget request.

B. The department of administration may allocate FTE positions authorized for specific projects to other projects in this act if the funding for the FTE positions is cost allocated among the projects receiving benefit. The department of administration shall report any FTE position reallocations to the joint committee on capital review on or before December 31, 2016.

Sec. 14. Use of appropriations; limitation

Unless otherwise specified, the monies appropriated in this act may not be spent for personal services or employee-related expenditures of state employees, excluding any services provided as part of the inmate construction program for correctional facilities.

Sec. 15. Lapsing; exemption; reversion

A. The appropriations made in sections 8, 9, 10 and 11 of this act do not lapse until the purpose for which the respective appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or an encumbrance.

B. Except as provided in subsection A of this section and notwithstanding section 35-190, subsection D, Arizona Revised Statutes, the appropriations made in this act for fiscal year 2016-2017 that are unexpended on June 30, 2018 revert to the fund from which the monies were appropriated.

Sec. 16. JCCR review

Pursuant to section 41-1252, Arizona Revised Statutes, the joint committee on capital review shall review the scope, purpose and estimated cost of a new capital project that has an estimated cost of more than $250,000.

APPROVED BY THE GOVERNOR MAY 10, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 10, 2016.

Passed the House May 4, 20 16,

by the following vote: 43 Ayes,

17 Nays, 0 Not Voting

Speaker of the House

Jim Drake

Chief Clerk of the House

Passed the Senate May 3, 20 16,

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

4th day of May, 20 16,

at 2:07 o'clock P. M.

Secretary to the Governor

Approved this 10th day of

May, 20 16,

at 8:55 o'clock A. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 10th day of May, 20 16,

at 11:37 o'clock A M.

Michele Reagan

Secretary of State

S.B. 1527