

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2857

AN ACT

AMENDING LAWS 2006, CHAPTER 335, SECTION 1, AS AMENDED BY LAWS 2007, CHAPTER 257, SECTION 1; AMENDING LAWS 2006, CHAPTER 345, SECTION 10; AMENDING LAWS 2006, CHAPTER 356, SECTION 1; AMENDING LAWS 2006, CHAPTER 375, SECTION 6; AMENDING LAWS 2007, CHAPTER 257, SECTION 7; MAKING APPROPRIATIONS; BUDGET AND TRANSFER LIMITATIONS FOR FISCAL YEAR 2007-2008.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Appropriation limitations: fiscal year 2007-2008
3 A. Notwithstanding any other law, the following amounts appropriated
4 from the state general fund in fiscal year 2007-2008 as listed below to state
5 agencies shall not be expended or encumbered:
6 1. Department of administration - \$2,361,800.
7 2. Department of agriculture - \$1,248,000.
8 3. Attorney general - \$820,000.
9 4. Arizona biomedical research commission - \$1,000,000.
10 5. State capital postconviction defender office - \$73,800.
11 6. Department of commerce - \$3,323,800.
12 7. Corporation commission - \$175,700.
13 8. Department of corrections - \$22,297,600.
14 9. Arizona criminal justice commission - \$999,400.
15 10. Department of economic security - \$30,326,400.
16 11. Arizona department of education - \$37,400,000.
17 12. Department of emergency and military affairs - \$836,100.
18 13. Department of environmental quality - \$5,872,000.
19 14. Governor's office of equal opportunity - \$26,000.
20 15. State board of equalization - \$14,000.
21 16. Board of executive clemency - \$60,000.
22 17. Department of financial institutions - \$400,000.
23 18. Department of fire, building and life safety - \$500,000.
24 19. Government information technology agency - \$1,500,000.
25 20. Office of the governor - \$368,000.
26 21. Governor's office of strategic planning & budgeting - \$115,000.
27 22. Department of health services - \$6,027,700.
28 23. Arizona historical society - \$165,000.
29 24. Prescott historical society - \$54,000.
30 25. Department of insurance - \$435,500.
31 26. Judiciary - supreme court - \$447,800.
32 27. Judiciary - court of appeals - \$45,000.
33 28. Judiciary - superior court - \$653,500.
34 29. Department of juvenile corrections - \$1,054,200.
35 30. State land department - \$2,120,000.
36 31. Law enforcement merit system council - \$2,000.
37 32. Auditor general - \$940,000.
38 33. House of representatives - \$618,000.
39 34. Joint legislative budget committee - \$152,000.
40 35. Legislative council - \$285,000.
41 36. Arizona state library, archives & public records - \$270,500.
42 37. Senate - \$427,000.
43 38. Department of liquor licenses & control - \$150,000.

- 1 39. Department of mines and mineral resources - \$45,000.
- 2 40. Arizona state parks board - \$345,000.
- 3 41. Arizona pioneers' home - \$63,000.
- 4 42. Department of public safety - \$2,140,000.
- 5 43. Arizona department of racing - \$150,000.
- 6 44. Radiation regulatory agency - \$80,000.
- 7 45. State real estate department - \$230,800.
- 8 46. Department of revenue - \$2,393,300.
- 9 47. School facilities board - \$47,000,000.
- 10 48. Secretary of state - \$138,000.
- 11 49. State treasurer - \$169,000.
- 12 50. Arizona board of regents - \$388,000.
- 13 51. Universities - all campuses - \$25,000,000.
- 14 52. Department of water resources - \$2,000,000.
- 15 53. Department of weights & measures - \$100,000.

16 B. The department of education appropriation limitation may be taken
17 against the appropriation made to the Arizona department of education and
18 state board of education.

19 C. The department of economic security appropriation limitation may
20 not be taken against the appropriation made for developmental disabilities
21 and child protective services.

22 D. The department of public safety appropriation limitation may not be
23 taken against the appropriations made for the gang and immigration
24 intelligence team enforcement mission (GIITEM).

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

27 F. The sum of \$19,057,500 in additional expenditure authority is
28 provided in fiscal year 2007-2008 to the department of health services for
29 supplemental funding.

30 Sec. 2. Limitation on expenditure of fund monies; fiscal year
31 2007-2008

32 A. Notwithstanding any other law, on or before June 30, 2008, the
33 following amounts from the funds or sources shall not be expended or
34 encumbered:

- 35 1. Accountancy board fund - \$2,056,000.
- 36 2. Acupuncture board fund - \$100,000.
- 37 3. Automation operations fund - \$748,500.
- 38 4. Certificate of participation fund - \$1,266,700.
- 39 5. Construction insurance fund - \$3,970,200.
- 40 6. Motor vehicle pool revolving fund - \$3,037,500.
- 41 7. Retiree accumulated sick leave fund - \$3,283,900.
- 42 8. Department of administration - risk management revolving
43 fund - \$6,114,400.
- 44 9. Special employee health insurance trust fund - \$41,000,000.
- 45 10. Livestock and crop conservation fund - \$910,600.

- 1 11. Arizona grain research fund - \$137,100.
- 2 12. Arizona citrus research council fund - \$40,000.
- 3 13. Seed law fund - \$25,000.
- 4 14. Aquaculture fund - \$20,000.
- 5 15. Arizona iceberg lettuce research council fund - \$41,400.
- 6 16. Commodity promotion fund - \$30,000.
- 7 17. Pesticide fund - \$15,000.
- 8 18. Arizona wine promotional fund - \$50,000.
- 9 19. Children's health insurance program fund - \$1,506,200.
- 10 20. Board of appraisal fund - \$537,900.
- 11 21. Attorney general - anti-racketeering revolving fund - \$500,000.
- 12 22. Chiropractic board fund - \$50,000.
- 13 23. CEDC fund - \$2,267,700.
- 14 24. Greater Arizona development authority revolving fund - \$2,500,000.
- 15 25. Job training fund - \$10,000,000.
- 16 26. Registrar of contractors fund - \$1,966,300.
- 17 27. Utility regulation revolving fund - \$1,580,300.
- 18 28. Department of corrections - special services fund - \$519,800.
- 19 29. State department of corrections revolving fund - \$1,000,000.
- 20 30. Transition office fund - \$400,000.
- 21 31. Transition program drug treatment fund - \$700,000.
- 22 32. Board of cosmetology fund - \$1,091,800.
- 23 33. Arizona criminal justice commission - driving under the influence
- 24 abatement fund - \$2,175,400.
- 25 34. Victims compensation and assistance fund - \$2,000,000.
- 26 35. Telecommunication fund for the deaf - \$4,000,000.
- 27 36. Dental board fund - \$3,200,000.
- 28 37. Spinal and head injuries trust fund - \$2,000,000.
- 29 38. Special education fund - \$15,000,000.
- 30 39. Department of education - internal services fund - \$525,100.
- 31 40. English learner classroom personnel bonus fund - \$200,000.
- 32 41. State armory property fund - \$100,000.
- 33 42. Department of environmental quality - indirect cost recovery
- 34 fund - \$1,864,000.
- 35 43. Department of environmental quality - recycling fund - \$1,097,100.
- 36 44. Clean air in-lieu fee account and Arizona clean air fund balance
- 37 fund - \$6,062,000.
- 38 45. Underground storage tank revolving fund - \$28,419,700.
- 39 46. Escrow guaranty fund - \$1,000,000.
- 40 47. Funeral directors and embalmers fund - \$500,000.
- 41 48. Game and fish watercraft license fund - \$4,732,700.
- 42 49. Game and fish department - off-highway vehicle recreation
- 43 fund - \$1,150,000.
- 44 50. Game and fish fund - \$2,827,600.
- 45 51. Wildlife conservation fund - \$66,000.

- 1 52. Livestock/breeders award fund - \$2,000,000.
- 2 53. Department of health services - intergovernmental agreements -
- 3 \$15,189,900.
- 4 54. Emergency medical services operating fund - \$6,200,000.
- 5 55. Department of health services - indirect cost fund - \$4,000,000.
- 6 56. Substance abuse treatment fund - \$1,500,000.
- 7 57. Department of health services - indirect cost recovery fund -
- 8 \$10,500.
- 9 58. Serious mental illness fund - \$43,400.
- 10 59. Department of health services - internal services fund - \$107,800.
- 11 60. Breast and cervical cancer screening and diagnostic special plate
- 12 fund - \$100,000.
- 13 61. Oral health fund - \$200,000.
- 14 62. Vital records electronic systems fund - \$500,000.
- 15 63. Hearing and speech professionals fund - \$400,000.
- 16 64. Arizona state hospital land fund - \$500,000.
- 17 65. Medical services stabilization fund - \$138,700.
- 18 66. Housing program fund - \$2,775,900.
- 19 67. Housing trust fund - \$12,000,000.
- 20 68. Housing development fund - \$364,000.
- 21 69. Industrial commission administrative fund - \$3,430,900.
- 22 70. Juvenile delinquent reduction fund - \$1,552,900.
- 23 71. Judicial collection enhancement fund - \$1,500,000.
- 24 72. Supreme court CJEF disbursement fund - \$1,500,000.
- 25 73. Department of juvenile corrections - criminal justice enhancement
- 26 fund - \$300,000.
- 27 74. Department of juvenile corrections - state education system for
- 28 committed youth - \$500,000.
- 29 75. Resource analysis revolving fund - \$60,000.
- 30 76. State land department fund - \$200,000.
- 31 77. Liquor license special collections fund - \$500,000.
- 32 78. State lottery fund - \$5,896,400.
- 33 79. Arizona medical board fund - \$850,000.
- 34 80. Optometry board fund - \$100,000.
- 35 81. Osteopathic board fund - \$500,000.
- 36 82. Parents commission on drug education and prevention - drug
- 37 treatment and education fund - \$2,000,000.
- 38 83. Arizona state parks board - off-highway vehicle recreation
- 39 fund - \$1,500,000.
- 40 84. State lake improvement fund - \$4,000,000.
- 41 85. Board of pharmacy fund - \$1,037,500.
- 42 86. Physical therapy board fund - \$100,000.
- 43 87. Auto fingerprint identification fund - \$300,000.
- 44 88. DNA identification system fund - \$600,000.
- 45 89. Department of public safety licensing fund - \$400,000.

- 1 90. Highway patrol fund - \$700,000.
- 2 91. County fair racing fund - \$50,000.
- 3 92. Breeders award fund - \$150,000.
- 4 93. Racing betterment fund - \$75,000.
- 5 94. Condominium recovery fund - \$50,000.
- 6 95. Real estate recovery fund - \$225,000.
- 7 96. Estate and unclaimed property fund - \$1,132,800.
- 8 97. School improvement revenue bond debt service fund - \$11,940,400.
- 9 98. Tourism fund - \$1,000,000.
- 10 99. Economic strength project fund - \$2,000,000.
- 11 100. Motor vehicle liability insurance enforcement fund - \$5,400,000.
- 12 101. State aviation fund - \$15,000,000.
- 13 102. Transportation department equipment fund - \$3,000,000.
- 14 103. Vehicle inspection and title enforcement fund - \$1,000,000.
- 15 104. Funding given to department of environmental quality for state
16 trust land settlement - \$2,025,500.

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

20 Sec. 3. Appropriations; limitation on expenditure of fund
21 monies; state general fund

22 Notwithstanding any other law, on or before June 30, 2008, the
23 following amounts from the funds or sources shall not be expended or
24 encumbered:.

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

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

30 3. Occupational safety and health review board -- Laws 1991, chapter
31 287, section 51 - \$127.67.

32 4. Department of economic security statewide building renewal -- Laws
33 1992, ninth special session, chapter 2, section 1 - \$20.24.

34 5. Arizona office in Sonora -- Laws 1993, chapter 119, section
35 4 - \$7,782.62.

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

38 7. Department of juvenile corrections statewide building
39 renewal -- Laws 1994, eighth special session, chapter 2, section
40 1 - \$3,793.72.

41 8. Department of commerce NAFTA CANAMEX corridor -- Laws 1995, chapter
42 209, section 1, subsection A, paragraph 2, as repealed by Laws 1998, chapter
43 257, section 7 - \$19,874.45.

- 1 9. Department of commerce NAFTA coordination -- Laws 1995, chapter
2 209, section 1, subsection A, paragraph 3, as repealed by Laws 1998, chapter
3 257, section 7 - \$37,776.78.
- 4 10. Governor's telecommunications policy office -- Laws 1995, chapter
5 246, section 6 - \$504.12.
- 6 11. Building renewal-Mesa armory -- Laws 1995, first special session,
7 chapter 2, section 1 - \$1,325.20.
- 8 12. State hospital condensate receiver -- Laws 1995, first special
9 session, chapter 2, section 2, as amended by Laws 1995, chapter 229,
10 section 10 - \$4,700.00.
- 11 13. Building renewal-Cholla facility -- Laws 1996, fifth special
12 session, chapter 2, section 1 - \$11,655.00.
- 13 14. Building renewal-Coolidge impact study -- Laws 1996, fifth special
14 session, chapter 2, section 1 - \$4,948.26.
- 15 15. Department of health services-building renewal -- Laws 1996, fifth
16 special session, chapter 2, section 1 - \$30.00.
- 17 16. Department of education-family literacy program -- Laws 1998,
18 chapter 295, section 11 - \$1,373.25.
- 19 17. State board of nursing-fingerprinting costs -- Laws 1999, chapter
20 276, section 3 - \$90,197.96.
- 21 18. Department of economic security-summer youth program -- Laws 1999,
22 first special session, chapter 1, section 29, as amended by Laws 2000,
23 chapter 3, section 8, Laws 2000, chapter 281, section 1, Laws 2001, chapter
24 232, section 9 and Laws 2002, chapter 329, section 18 - \$32,446.40.
- 25 19. Department of education school safety program -- Laws 1999, first
26 special session, chapter 1, section 30, as amended by Laws 2000, chapter 2,
27 section 1 and Laws 2001, chapter 232, section 10 and Laws 2001, chapter 236,
28 section 31, as amended by Laws 2001, chapter 364, section 4 - \$2,043.81.
- 29 20. Department of education accountability measures -- Laws 1999, first
30 special session, chapter 1, section 30, as amended by Laws 2000, chapter 2,
31 section 1 and Laws 2001, chapter 232, section 10 - \$50.00.
- 32 21. Governor's Arizona-Sonora study -- Laws 1999, first special
33 session, chapter 1, section 42 - \$5,200.00.
- 34 22. Department of economic security-Hopi senior center -- Laws 2000,
35 chapter 217, section 1 - \$22,096.88.
- 36 23. Governor's executive order for September terrorism incident
37 emergency-2001 - \$106,916.95.
- 38 24. Occupational safety and health review board lump sum
39 appropriation -- Laws 2001, chapter 236, section 68 - \$6,947.00.
- 40 25. State treasurer property tax refund -- Laws 2001, chapter 236,
41 section 99 - \$.20.
- 42 26. AHCCCS emergency services -- Laws 2001, second special session,
43 chapter 8, section 9 - \$73.06.
- 44 27. English learner FTE -- Laws 2001, second special session, chapter
45 9, section 14, subsection B - \$2,388.84.

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

3 29. English learner pilot -- Laws 2001, second special session, chapter
4 9, section 16, subsection B - \$342.40.

5 30. Department of commerce military installation -- Laws 2004, chapter
6 235, section 14, subsection A - \$24,830.46.

7 31. Department of liquor licenses and control-data processing -- Laws
8 2005, chapter 284, section 17 - \$1,250,000.00.

9 32. Department of health services nonrenal disease management -- Laws
10 2006, chapter 366, section 2, subsection A - \$100,000.00.

11 Sec. 4. Supplemental appropriation; commission for
12 postsecondary education

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

16 Sec. 5. Supplemental appropriation; Arizona state retirement
17 system

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

21 Sec. 6. Supplemental appropriation; supplemental reductions;
22 Arizona health care cost containment system

23 A. The sum of \$12,994,900 is appropriated from the state general fund
24 and \$82,145,400 in additional expenditure authority in fiscal year 2007-2008
25 to the Arizona health care cost containment system for supplemental funding.

26 B. The appropriation made to the Arizona health care cost containment
27 system in fiscal year 2007-2008 is reduced by \$15,619,900 from the tobacco
28 tax and health care fund - medically needy account and reduced by \$3,547,600
29 from the tobacco products tax fund - emergency health services account to
30 account for a shortfall in tobacco tax revenues.

31 C. The appropriation made to the Arizona health care cost containment
32 system in fiscal year 2007-2008 is reduced by \$329,400 from the temporary
33 medical coverage fund to account for reduced program expenditures.

34 Sec. 7. Supplemental appropriation; Arizona navigable stream
35 adjudication commission

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

39 B. The appropriation made in subsection A of this section is exempt
40 from the provisions of section 35-190, Arizona Revised Statutes, relating to
41 lapsing of appropriations.

42 Sec. 8. Supplemental appropriation; state land department

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

1 Sec. 9. Department of education information technology funding
2 for fiscal year 2006-2007; limitation

3 Of the \$2,500,000 appropriated from the general fund to the Arizona
4 department of education for the information technology special line item for
5 fiscal year 2006-2007, \$1,250,000 shall not be expended or encumbered.

6 Sec. 10. Arizona health care cost containment system hospital
7 residency loan program funding; fiscal year
8 2006-2007; limitation

9 The \$1,000,000 appropriated from the state general fund to the Arizona
10 health care cost containment system for the hospital residency loan program
11 special line item for fiscal year 2006-2007 shall not be expended or
12 encumbered.

13 Sec. 11. Arizona energy and water savings pilot program;
14 appropriations

15 A. Of the \$2,500,000 appropriated from the state general fund to the
16 school facilities board for the Arizona energy and water savings pilot
17 program in fiscal year 2007-2008, \$879,700 shall not be expended or
18 encumbered.

19 B. The sum of \$879,700 is appropriated from the oil overcharge fund to
20 the school facilities board for the Arizona energy and water savings pilot
21 program in fiscal year 2007-2008.

22 Sec. 12. Laws 2006, chapter 335, section 1, as amended by Laws 2007,
23 chapter 257, section 1, is amended to read:

24 Section 1. Conditional appropriation; Arizona welcome center;
25 exemption

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

- 31 1. All plans for the center are delivered to the city of Yuma.
- 32 2. The city of Yuma receives ownership of the property or the property
33 is conveyed by license to the city of Yuma.

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

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

40 D. The appropriation made in subsection A of this section is exempt
41 from the provisions of section 35-190, Arizona Revised Statutes, relating to
42 lapsing of appropriations, EXCEPT THAT THE \$1,798,000 UNSPENT AS OF FEBRUARY
43 1, 2008 SHALL NOT BE EXPENDED OR ENCUMBERED ON THE EFFECTIVE DATE OF THIS
44 AMENDMENT TO THIS SECTION.

1 Sec. 13. Laws 2006, chapter 345, section 10 is amended to read:

2 Sec. 10. State archives and history building; appropriation

3 The sum of \$8,000,000 is appropriated from the state general fund in
4 fiscal year 2007-2008 to the legislative council for ~~completion of~~ the Polly
5 Rosenbaum state archives and history building, **EXCEPT THAT \$3,500,000 SHALL**
6 **NOT BE EXPENDED OR ENCUMBERED ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS**
7 **SECTION.**

8 Sec. 14. Laws 2006, chapter 356, section 1 is amended to read:

9 Section 1. Appropriation; purpose; exemption

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

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

19 C. The appropriation made in subsection A of this section is exempt
20 from the provisions of section 35-190, Arizona Revised Statutes, relating to
21 lapsing of appropriations, except that any amount of the appropriation that
22 is unexpended and unencumbered on June 30, ~~2008~~ **2010** reverts to the state
23 general fund.

24 Sec. 15. Laws 2006, chapter 375, section 6 is amended to read:

25 Sec. 6. Appropriation; department of education; e-learning
26 pilot program; exemption

27 A. The sum of \$3,000,000 is appropriated from the state general fund
28 to the department of education in fiscal year 2006-2007 to carry out the
29 e-learning pilot program established by this act. The department of
30 education may distribute the monies appropriated in this section in fiscal
31 years 2006-2007, 2007-2008, 2008-2009 and 2009-2010.

32 B. The appropriation made in subsection A of this section is exempt
33 from the provisions of section 35-190, Arizona Revised Statutes, relating to
34 lapsing of appropriations, **EXCEPT THAT \$1,400,000 IN UNSPENT MONIES AS OF**
35 **FEBRUARY 1, 2008 SHALL NOT BE EXPENDED OR ENCUMBERED ON THE EFFECTIVE DATE OF**
36 **THIS AMENDMENT TO THIS SECTION.**

37 C. The department of education may retain up to five per cent of the
38 monies appropriated pursuant to subsection A of this section for
39 administrative costs of the department in connection with the e-learning
40 pilot program, to provide technical assistance to schools that participate in
41 the pilot program.

42 Sec. 16. Capital outlay appropriations; major capital projects;
43 department of administration 2007-2008; limitation

44 Of the \$5,200,000 appropriated from the state general fund in fiscal
45 year 2007-2008 to the department of administration for prison cell locks and

1 cell doors replacement, the sum of \$2,000,000 shall not be expended or
2 encumbered.

3 Sec. 17. Laws 2007, chapter 257, section 7 is amended to read:

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

6 A. The sum of \$2,207,000 is appropriated from the state general fund
7 in ~~each of fiscal years 2007-2008 and~~ FISCAL YEAR 2008-2009 to the department
8 of administration for renovation of the old health laboratory.

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

12 Sec. 18. Appropriation; Yuma welcome center; limitation

13 Notwithstanding Laws 2007, chapter 257, the office of tourism shall not
14 expend or encumber \$1,000,000 for distribution to the city of Yuma for the
15 Arizona welcome center.