

# ARIZONA STATE SENATE

Fifty-Sixth Legislature, First Regular Session

## VETOED FACT SHEET FOR S.B. 1532/H.B. 2579

state budget implementation; 2023-2024.

### <u>Purpose</u>

Makes session law changes relating to budget implementation necessary to implement the FY 2024 state budget.

### **Background**

The Arizona Constitution prohibits substantive law from being included in the general appropriations, capital outlay appropriations and supplemental appropriations bills. However, it is often necessary to make statutory and session law changes to effectuate the budget. Thus, separate bills called budget reconciliation bills (BRBs) are introduced to enact these provisions. Because BRBs contain substantive law changes, the Arizona Constitution provides that they become effective on the general effective date, unless an emergency clause is enacted.

S.B. 1532 contains the budget reconciliation provisions for changes relating to budget implementation.

#### **Provisions**

- 1. Continues to require, retroactive to July 1, 2023, any unrestricted federal monies received by Arizona in FY 2024 to be deposited into the state General Fund (state GF) and used to pay essential governmental services.
- 2. Asserts that the Legislature is not required to appropriate monies to or transfer monies from the Budget Stabilization Fund in FY 2024, FY 2025 and FY 2026.
- 3. Continues to suspend the Budget Stabilization Fund cap of 10 percent of the state GF revenue for FY 2024 and prohibits the State Treasurer from transferring any surplus monies from the Budget Stabilization Fund to the state GF.
- 4. Requires, by June 30, 2023, the Attorney General to deposit \$77,250,000 of the monies received from the settlement agreement in *State of Arizona v. Google LLC* in the state GF.
- 5. Becomes effective on the general effective date, with a retroactive provision as noted.

### Governor's Veto Message

The Governor indicates in her <u>veto message</u> that S.B. 1532, and the FY 2024 state budget as a whole, does not address her priorities to work together on a budget that addresses the state's housing crisis, lowers costs, prepares the workforce and invests in public education.

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# Senate Action

# **House Action**

6-4-0 9-6-0-0 APPROP 1/31/23 DP APPROP 2/1/23 DP 3<sup>rd</sup> Read 3<sup>rd</sup> Read 2/13/23 2/1/23 16-14-0 31-27-2 (S.B. 1532 was substituted for H.B. 2579 on 3<sup>rd</sup> Read)

Vetoed by the Governor 2/16/23

Prepared by Senate Research February 17, 2023 JT/FB/sr