



STATE OF ARIZONA

Joint Committee on Capital Review

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MINUTES OF THE MEETING

JOINT COMMITTEE ON CAPITAL REVIEW

January 29, 2026

The Chairman called the meeting to order at 1:34 p.m., Thursday, January 29, 2026 in Senate Hearing Room 109. The following were present:

Members:	Senator Farnsworth, Vice-Chairman	Representative Livingston, Chairman
	Senator Alston	Representative Carbone
	Senator Finchem	Representative Gress
	Senator Kavanagh	Representative Stahl Hamilton
	Senator Kuby	Representative Travers
	Senator Leach (Temporary member in place of Senator Werner)	
	Senator Sundareshan	

Absent:	Senator Werner	Representative De Los Santos
		Representative Way

APPROVAL OF MINUTES

Senator Farnsworth moved that the Committee approve the minutes of November 10, 2025. The motion carried.

CONSENT AGENDA

The following items were considered without further discussion:

1. DEPARTMENT OF HEALTH SERVICES (DHS) - Review of Arizona State Hospital Lease Agreement.

A.R.S. § 36-136 requires Committee review of lease agreements of Arizona State Hospital (ASH) property. The Department of Health Services (DHS) requested Committee review of a lease agreement with a private health vendor to operate a transitional housing shelter on ASH grounds. The JLBC Staff provided options.

2. DEPARTMENT OF JUVENILE CORRECTIONS - Review of Adobe Mountain School Capital Projects.

A.R.S. § 41-1252 requires Committee review of the expenditure of monies appropriated for land acquisition, capital projects and building renewal. The Department of Juvenile Corrections (DJC) requested Committee review of its revised plan to spend \$1,177,600 from the Criminal Justice Enhancement Fund and the DJC Local Cost Sharing Fund to complete 2 capital projects at the Adobe Mountain School facility as shown below. The JLBC Staff provided options.

- \$641,000 to replace the make-up air unit in the kitchen; and
- \$536,600 for upgrades to the fire protection system

3. ARIZONA STATE UNIVERSITY (ASU) - Approval of SPEED Bonds and Review of System Revenue Bonds for ASU Health Headquarters Facility.

A.R.S. § 15-1682.03 requires Committee approval of any university projects financed with lottery revenue (SPEED) bonds. A.R.S. § 15-1683 requires Committee review of any university project financed with system revenue bonds. Arizona State University (ASU) requested Committee approval of \$123,500,000 in SPEED bonds and Committee review of \$71,200,000 in system revenue bond issuances for a total of \$194,700,000 to construct an ASU Health headquarters facility. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

- A. *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.*
- B. *ASU shall provide the final debt service schedule and interest rate for the project as soon as they are available.*
- C. *On or before October 15 of each year until completion of the project, ASU shall report to the JLBC Staff on the status and expenditures of the project. The report shall include the project expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.*

4A. NORTHERN ARIZONA UNIVERSITY (NAU) - Approval of Cline Library Renovation SPEED Bond Project.

A.R.S. § 15-1682.03 requires Committee approval of any university projects financed with lottery revenue (SPEED) bonds. Northern Arizona University requested approval of their plan to issue \$39,750,000 in lottery revenue bonds for a renovation of the Cline Library. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

- A. *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.*
- B. *NAU shall provide the final debt service schedule and interest rate for the projects as soon as they are available*

- C. *On or before October 15 of each year until completion of the project, NAU shall report to the JLBC Staff on the status and expenditures of the project. The report shall include the project expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.*

4B. NORTHERN ARIZONA UNIVERSITY (NAU) – Approval of Nursing Building SPEED Bond Project.

A.R.S. § 15-1682.03 requires Committee approval of any university projects financed with lottery revenue (SPEED) bonds. Northern Arizona University requested approval of their plan to issue \$48,000,000 in lottery revenue bonds for the construction of a new nursing building. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

- A. *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.*
- B. *NAU shall provide the final debt service schedule and interest rate for the projects as soon as they are available*
- C. *On or before October 15 of each year until completion of the project, NAU shall report to the JLBC Staff on the status and expenditures of the project. The report shall include the project expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.*

5. UNIVERSITY OF ARIZONA (UA) - Approval of a Revision in the SPEED Bond Financing of the Center for Applied Molecular and Immunological Therapies (CAMI) Building.

A.R.S. § 15-1682.03 requires the Joint Committee on Capital Review to approve any university projects financed with lottery revenue (SPEED) bonds. University of Arizona requested approval of their plan to issue \$75,000,000 in lottery revenue bonds to construct the Center for Advanced Molecular and Immunological Therapies (CAMI). This project was previously reviewed in the Committee's January 2025 meeting at a cost of \$292,000,000. UA requested two changes: 1) the overall cost would decline to \$232,000,000 and 2) shift \$75,000,000 in financing from system revenue bonds to the newly expanded SPEED lottery bond authority. The JLBC Staff provided options and potential provisions:

Standard University Financing Provisions

- A. *A favorable review by the Committee does not constitute endorsement of General Fund appropriations to offset any revenues that may be required for operations and maintenance costs when the project is complete.*
- B. *UA shall provide the final debt service schedule and interest rate for the project as soon as they are available.*
- C. *On or before October 15 of each year until completion of the project, UA shall report to the JLBC Staff on the status and expenditures of the project. The report shall include the project expenditures to date, any changes to the planned construction timeline, the expected completion date, and any change to the scope of the project.*

Representative Farnsworth moved that the Committee give a favorable review of the agency requests in consent agenda items 1 and 2, and approval of items 3, 4A, 4B, and 5 with the applicable JLBC Staff provisions. The motion carried by a voice vote.

Without objection, the meeting adjourned at 1:36 p.m.

Respectfully submitted:

Jennifer Burns

Jennifer Burns, Secretary

Richard Stavneak

Richard Stavneak, Director

David Livingston

Representative David Livingston, Chairman