

**House and Senate Budget Bills
As Approved**

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GENERAL FUND BUDGET 4-YEAR ANALYSIS (\$ in Millions)

	FY 2020 3/23	FY 2021 3/23	FY 2022 3/23	FY 2023 3/23
1 Beginning Balance	\$ 957.2	\$ 562.2	\$ -	\$ -
Ongoing Revenues				
2 Ongoing Revenues - January Baseline	11,497.0	11,911.3	12,311.7	12,807.9
3 Subtotal - Ongoing Revenues	\$ 11,497.0	\$ 11,911.3	\$ 12,311.7	\$ 12,807.9
One-Time Revenues				
4 Fund Transfers - Enacted/Budgeted	90.8	16.7	36.7	16.7
5 Subtotal - One-Time Revenues (Including Beginning Balance)	\$ 1,048.0	\$ 578.9	\$ 36.7	\$ 16.7
6 Total Revenues	\$ 12,545.0	\$ 12,490.2	\$ 12,348.4	\$ 12,824.6
7 JLBC Baseline - Ongoing Spending	\$ 10,839.9	\$ 11,409.3	\$ 11,943.7	\$ 12,292.4
Ongoing Changes to JLBC Baseline				
8 ADE - Formula (TNT Adjustment)		(6.6)	(6.6)	(6.6)
9 ADE/SBE/Treasurer - Shift ESA Admin to Direct GF Approp (SB 1224)		No Net GF Cost	No Net GF Cost	No Net GF Cost
10 DEQ - WQARF Funding (Plus \$5 M One-Time General Fund)		10.0	10.0	10.0
11 Retirement Rate Increases		18.8	18.8	18.8
12 Subtotal - Ongoing Changes to JLBC Baseline	\$ -	\$ 22.2	\$ 22.2	\$ 22.2
13 Total Ongoing Spending	\$ 10,839.9	\$ 11,431.5	\$ 11,965.9	\$ 12,314.6
14 JLBC Baseline - One-Time Spending	\$ 1,062.3	\$ 124.6	\$ 102.6	\$ 76.9
One-Time Changes to JLBC Baseline				
15 AHCCCS/DIFI - Children's Behavioral Health/Mental Health Parity (Enacted)		8.3		
16 ADE - Additional Assistance Acceleration (Fully Restore in FY 22)		67.8	67.8	
17 DEQ - WQARF Funding		5.0		
18 Governor - Crisis Contingency and Safety Net Fund Deposit	50.0			
19 SFB - Building Renewal Funding (Includes FY 20 Supplemental)	28.0	90.8		
20 Sec of State - Presidential Preference Election (FY 20 Supplemental)	2.6			
21 Capital - ADC - Lewis/Yuma Locks, Fire, HVAC (Plus \$19 M OF)		11.0		
22 Other - State Employee Health Insurance Funding		22.0		
23 Subtotal - One-Time Changes to JLBC Baseline	\$ 80.6	\$ 204.9	\$ 67.8	\$ -
24 Total One-Time Spending	\$ 1,142.9	\$ 329.5	\$ 170.4	\$ 76.9
25 Total Spending	\$ 11,982.8	\$ 11,761.0	\$ 12,136.3	\$ 12,391.5
26 Cash Balance	\$ 562.2	\$ 729.2	\$ 212.1	\$ 433.1
27 Ongoing Balance	\$ 657.1	\$ 479.8	\$ 345.8	\$ 493.3

3/23 Plan
Statement of General Fund Revenues and Expenditures 1/
With One-Time Financing Sources

	<u>FY 2020</u> <u>3/23</u>	<u>FY 2021</u> <u>3/23</u>	<u>FY 2022</u> <u>3/23</u>	<u>FY 2023</u> <u>3/23</u>
REVENUES				
Ongoing Revenues	\$12,234,610,600	\$12,739,841,900	\$13,158,304,500	\$13,693,047,000
Urban Revenue Sharing	(737,573,600)	(828,492,900)	(846,621,100)	(885,172,100)
Net Ongoing Revenues	<u>\$11,497,037,000</u>	<u>\$11,911,349,000</u>	<u>\$12,311,683,400</u>	<u>\$12,807,874,900</u>
One-time Financing Sources				
Balance Forward	957,241,000	562,345,900		
Wells Fargo Settlement	20,000,000			
Water Infrastructure Repayment			20,000,000	
Fund Transfers	<u>70,840,700</u>	<u>16,700,000</u>	<u>16,700,000</u>	<u>16,700,000</u>
Subtotal One-time Revenues	<u>\$1,048,081,700</u>	<u>\$579,045,900</u>	<u>\$36,700,000</u>	<u>\$16,700,000</u>
Total Revenues	\$12,545,118,700	\$12,490,394,900	\$12,348,383,400	\$12,824,574,900
EXPENDITURES				
Ongoing Operating Appropriations	\$10,838,429,200	\$11,469,518,500	\$12,002,878,300	\$12,350,613,100
FY 2020 Supplementals/Ex-Approp.	46,459,700			
Administrative Adjustments	128,000,000	146,000,000	155,000,000	162,000,000
Revertments	<u>(173,000,000)</u>	<u>(184,000,000)</u>	<u>(192,000,000)</u>	<u>(198,000,000)</u>
Subtotal Ongoing Expenditures	<u>\$10,839,888,900</u>	<u>\$11,431,518,500</u>	<u>\$11,965,878,300</u>	<u>\$12,314,613,100</u>
One-time Expenditures				
Capital Outlay	4,575,000	11,000,000		
Transportation Funding	95,310,000			
Reduce K-12 Rollover (Enacted)			30,000,000	
Budget Stabilization Fund Deposit	271,107,000			
2010B Debt Payoff	190,000,000			
Operating One-Time Spending	501,275,000	275,373,600	120,370,000	76,876,700
FY 2020 One-Time Supplementals	80,616,900			
Additional (27th) Pay Period		<u>43,078,600</u>	<u>20,052,100</u>	
Subtotal One-time Expenditures	<u>\$1,142,883,900</u>	<u>\$329,452,200</u>	<u>\$170,422,100</u>	<u>\$76,876,700</u>
Total Expenditures	\$11,982,772,800	\$11,760,970,700	\$12,136,300,400	\$12,391,489,800
Ending Balance <u>2/</u>	<u><u>\$562,345,900</u></u>	<u><u>\$729,424,200</u></u>	<u><u>\$212,083,000</u></u>	<u><u>\$433,085,100</u></u>
Ongoing Balance <u>3/</u>	<u><u>\$657,148,100</u></u>	<u><u>\$479,830,500</u></u>	<u><u>\$345,805,100</u></u>	<u><u>\$493,261,800</u></u>

1/ Significant one-time revenues and expenditures are separately detailed so as to permit the calculation of ongoing revenue and expenditures.
2/ This calculation reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.
3/ This calculation reflects the difference between ongoing revenues and expenditures and excludes one-time adjustments. The Legislature makes the ongoing and one-time classifications as part of its 3-year spending plan. Excludes any Budget Stabilization Fund balance.

DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

	FY 2020 GF 3/23	FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
OPERATING SPENDING CHANGES				
DOA - Arizona Department of Administration	8,147,600			7,876,600
DOA - Remove One-Time Sierra Vista Public Safety Communications		(271,000)		
APF - Automation Projects Fund/ADOA	11,100,000			0
APF - Remove DCS Automation (\$5.0 M Ongoing/\$5.1 M One-Time)		(10,100,000)		
APF - Remove One-Time Business One-Stop Shop Web Portal		(1,000,000)		
OAH - Office of Administrative Hearings	889,800			889,800
AAM - Commission of African-American Affairs	128,100			128,100
AGR - Department of Agriculture	10,865,500			10,185,100
AGR - Remove One-Time Industrial Hemp Licensing		(750,000)		
AGR - AG Lab Relocation Annualization		69,600		
AXS - AHCCCS	1,760,748,100			1,950,993,600
AXS - Formula Changes		179,995,500		
AXS - Rural Graduate Medical Education		1,666,700		
AXS - Urban Graduate Medical Education		1,333,300		
AXS - Remove One-Time North Country Graduate Medical Education		(750,000)		
AXS - Children's Beh. Health Services Fund Deposit - Chapter 4			8,000,000	
ART - Arizona Commission on the Arts	2,200,000			0
ART - One-Time Funding		(2,000,000)		
ART - Remove One-Time Nonprofit Theater Capital Support		(200,000)		
ATT - Attorney General	26,082,400			24,582,400
ATT - Remove One-Time Criminal Division Funding		(1,500,000)		
CHA - State Board for Charter Schools	1,714,500			2,107,300
CHA - Additional FTE Positions (Enacted)		392,800		
DCS - Department of Child Safety	384,653,400			384,653,400
ACA - Arizona Commerce Authority	19,275,000			16,175,000
ACA - Remove One-Time Rural Development Broadband Grants		(3,000,000)		
ACA - Remove One-Time Trade Office Funding		(100,000)		

	FY 2020 GF 3/23	FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
CCO - Arizona Community Colleges	97,431,800			64,658,000
CCO - Formula Changes (with Tribal CC Adjustment)		2,226,200		
CCO - Remove One-Time Maricopa CCD Healthcare Specialty Expansion		(5,800,000)		
CCO - Remove One-Time Pima CCD Aviation Center		(15,000,000)		
CCO - Remove One-Time Rural Funding (By Student Count)		(14,200,000)		
COR - Corporation Commission	620,800			620,800
ADC - Department of Corrections	1,167,111,300			1,167,111,300
CF - County Funding	10,650,700			10,650,700
JUS - Arizona Criminal Justice Commission	0			0
SDB - Arizona State Schools for the Deaf and the Blind	23,214,400			23,214,400
OEC - Office of Economic Opportunity	968,300			468,300
OEC - WIFA - Remove One-Time Small Water Systems Funding		(500,000)		
DES - Department of Economic Security	749,708,200			808,448,100
DES - Formula Adjustments		59,739,900		
DES - Remove One-Time Caregiver Grants		(1,000,000)		
BOE - State Board of Education	1,158,900			1,308,900
BOE - Additional ESA Admin. Funding (1 FTE) - SB 1224			150,000	
ADE - Arizona Department of Education	5,200,184,900			5,599,143,900
ADE - Formula Adjustments (Incl. Teacher Salary/Add'l Assistance)		335,632,500	(6,643,800)	
ADE - Remove One-Time American Civics Funding		(500,000)		
ADE - Remove One-Time Gifted Education Funding		(1,000,000)		
ADE - One-Time CTED Incentive Program (\$5 M in '21; \$5 M in '22)		5,000,000		
ADE - Remove One-Time Mingus Unified Consolidation Costs		(50,000)		
ADE - Remove One-Time Yuma Elementary School Construction Costs		(800,000)		
ADE - Additional Assistance Restoration			67,774,700	
ADE - Remove BSA Funding Allocated to ADE/Treasurer ESA Admin. Funds			(2,687,800)	
ADE - Shift ADE ESA Admin. Funding to Direct GF Appropriation - SB 1224			1,283,400	
ADE - Increase ADE ESA Admin. Funding (13 FTE) - SB 1224			950,000	
EMA - Department of Emergency & Military Affairs	12,201,600			12,201,600
DEQ - Department of Environmental Quality	200,000			15,000,000
DEQ - WQARF (Ongoing Funding)			10,000,000	

	FY 2020 GF 3/23	FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
DEQ - WQARF (One-Time Funding)			5,000,000	
DEQ - Remove One-Time Maricopa County Dust Suppression Pilot		(200,000)		
EQU - State Board of Equalization	659,000			659,000
EXE - Board of Executive Clemency	1,150,000			1,150,000
DFI - Dept of Financial Institutions	1,980,900			0
DFI - Agency Consolidation		(1,980,900)		
FOR - Department of Forestry and Fire Management	15,917,400			13,167,400
FOR - Remove One-Time Fire Training Center (Taylor)		(1,000,000)		
FOR - Remove One-Time Non-Native Vegetation Eradication		(1,000,000)		
FOR - Remove One-Time Mount Lemmon Fire District Water Line		(750,000)		
GAM - Department of Gaming	2,509,500			2,509,500
GOV - Office of the Governor	8,699,900			8,699,900
OSP - Gov's Office of Strategic Planning & Budgeting	2,684,100			2,684,100
DHS - Department of Health Services	97,158,300			93,351,700
DHS - Remove One-Time Prenatal Services Funding		(500,000)		
DHS - Remove One-Time Public Health Emergency Fund Backfill		(106,600)		
DHS - Remove Benson and Northern Cochise Hospitals One-Time Funding		(1,500,000)		
DHS - Remove One-Time Primary Care Clinic - Colorado City Funding		(700,000)		
DHS - Remove One-Time Loan Repayment Program Funding		(750,000)		
DHS - Remove One-Time Vulnerable Caregiver Workshops Funding		(250,000)		
AZH - Arizona Historical Society	3,107,700			3,107,700
PAZ - Prescott Historical Society	837,200			837,200
DOH - Department of Housing	15,000,000			0
DOH - Remove Housing Trust Fund Deposit (One-Time)		(15,000,000)		
IND - Independent Redistricting Commission	0			500,000
IND - 2020 Redistricting Cycle Start-up Funding		500,000		
INS - Department of Insurance	5,663,200			0
INS - Agency Consolidation		(5,663,200)		

	FY 2020 GF 3/23	FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
DIF - Department of Insurance and Financial Institutions	0			7,894,100
DIF - Agency Consolidation		7,644,100		
DIF - Mental Health Parity Implementation Costs (One-Time) - Chapter 4			250,000	
SPA - Judiciary - Supreme Court	20,875,000			20,875,000
COA - Judiciary - Court of Appeals	16,765,000			16,765,000
SUP - Judiciary - Superior Court	92,596,500			97,940,800
SUP - Maricopa County Judges Phase-In (Enacted)		6,019,400		
SUP - Remove One-Time Digitization/Case Management System		(250,000)		
SUP - Remove One-Time CORP Retirement Cost Increase		(2,354,000)		
SUP - CORP '20 Rate Increase			1,928,900	
DJC - Department of Juvenile Corrections	36,926,500			28,475,600
DJC - One-Time Maricopa/Pima County Cost Sharing Offset		(8,450,900)		
LAN - State Land Department	11,654,300			12,135,400
LAN - CAP Rate Adjustment		481,100		
Legislature				
AUD - Auditor General	20,629,300			20,229,300
AUD - Remove One-Time CTED Study Funding		(400,000)		
HOU - House of Representatives	16,407,500			16,407,500
JLBC - Joint Legislative Budget Committee	2,834,200			2,834,200
LEG - Legislative Council	8,814,900			8,814,900
SEN - Senate	12,948,900			12,948,900
MIN - State Mine Inspector	1,269,300			1,269,300
NAV - Arizona Navigable Steam Adjudication Comm.	129,000			129,000
SPB - Arizona State Parks Board	0			0
POS - Commission for Postsecondary Education	1,680,900			1,680,900
PRI - Board for Private Postsecondary Education	0			0

	FY 2020 GF 3/23		FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
DPS - Department of Public Safety	92,350,300				84,153,500
DPS - Remove One-Time Equipment - 6 Maricopa FTE			(379,800)		
DPS - Remove One-Time Equipment - 12 Trooper FTE Southern AZ			(759,600)		
DPS - Remove One-Time Equipment - Loop 202 South Mountain Patrol			(1,519,200)		
DPS - Salary Increase Budget Shift			(38,200)		
DPS - Remove One-Time Highway Patrol Vehicle Replacement Funding			(4,000,000)		
DPS - Remove One-Time Interoperability Project Funding			(1,500,000)		
PSP - Public Safety Personnel Retirement System	6,000,000				6,000,000
REA - State Real Estate Department	2,909,500				2,909,500
REV - Department of Revenue	31,245,200				31,245,200
SFB - School Facilities Board	325,650,300				235,183,100
SFB - Remove New School Funding Completion (FY 19 Starts)			(36,726,700)		
SFB - Continue New School Construction Projects (FY 20 Starts)			(30,069,900)		
SFB - Begin New School Construction Projects (FY 21 Starts)			12,980,900		
SFB - Lease-Purchase Adjustment			(64,692,700)		
SFB - One-Time Building Renewal Funding			(62,790,900)		
SFB - Building Renewal Funding (\$107.5 M including Baseline)				90,832,100	
SOS - Secretary of State	17,367,900				16,959,800
SOS - Remove One-Time Presidential Preference Election Funding			(4,408,100)		
SOS - Election Services (2020 Primary/General Election)			4,000,000		
TAX - State Board of Tax Appeals	281,800				281,800
TOU - Office of Tourism	8,214,000				8,214,000
DOT - Department of Transportation	0				0
TRE - State Treasurer	1,205,100				1,509,500
TRE - Shift ESA Admin. Funding to Direct GF Appropriation - SB 1224				304,400	
OTR - Governor's Office on Tribal Relations	62,900				62,900
UNI - Universities					
UNI - Arizona Board of Regents	22,397,700				22,397,700
UNI - ASU	341,916,800				323,234,500
UNI - Lease Purchase Adjustment			2,400		

	FY 2020 GF 3/23	FY 21 Baseline 1/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
UNI - Inflation Adjustment (2017 Capital Infrastructure)		215,300		
UNI - One-Time Operating Funding		(18,900,000)		
UNI - Northern Arizona University	117,250,900			109,662,500
UNI - Lease Purchase Adjustment		(1,020,000)		
UNI - Inflation Adjustment (2017 Capital Infrastructure)		81,600		
UNI - One-Time Operating Funding		(6,650,000)		
UNI - UA - Main Campus	215,808,900			206,550,700
UNI - Lease Purchase Adjustment		1,300		
UNI - Inflation Adjustment (2017 Capital Infrastructure)		190,500		
UNI - One-Time Operating Funding		(9,450,000)		
UNI - UA - Health Sciences Center	76,897,700			76,897,700
VSC - Department of Veterans' Services	7,792,900			7,792,900
WAT - Department of Water Resources	66,937,700			14,237,700
WAT - Remove One-Time Augmentation and Conservation Assistance		(2,000,000)		
WAT - Remove One-Time Digitization Funding		(200,000)		
WAT - Remove One-Time Water System Conservation Funding		(30,000,000)		
WAT - Remove One-Time Agriculture Infrastructure Projects Loan		(20,000,000)		
WAT - Remove One-Time Water Protection Fund Deposit		(500,000)		
OTH - Other				
OTH - AHCCCS - Formula Supplemental	45,978,600	(45,978,600)		0
OTH - Land Dept - Central Arizona Water Project Fees Supplemental	481,100	(481,100)		0
OTH - Governor - Crisis Contingency and Safety Net Deposit Supplemental	50,000,000			0
OTH - SFB - Building Renewal Supplemental	28,000,000			0
OTH - SOS - Presidential Preference Election Supplemental	2,616,900			0
OTH - 27th Pay Period (State Agencies Only, Universities in '22)	0	43,078,600		43,078,600
OTH - Debt Service Payments	77,709,300	(24,007,500)		53,701,800
OTH - Phoenix Convention Center Debt Service	23,500,000	497,900		23,997,900
OTH - 2010B Sale/Leaseback Payoff (SB 1215)	190,000,000	(190,000,000)		0
OTH - Rio Nuevo District	16,000,000			16,000,000
OTH - Remove One-Time Budget Stabilization Fund Deposit	271,107,000	(271,107,000)		0
OTH - Remove One-Time '20 Agency Health Insurance Adjustments	0	(10,492,900)		(10,492,900)
OTH - One-Time '21 Agency Health Insurance Adjustments	0		22,000,000	22,000,000
OTH - Unallocated HITF One-Time Employer Premium	51,500	(51,500)		0
OTH - '21 Retirement Rate Adjustment	0		16,908,600	16,908,600
OTH - Administrative Adjustments	128,000,000	18,000,000		146,000,000
OTH - Revertments	(173,000,000)	(11,000,000)		(184,000,000)

	FY 2020 GF 3/23	FY 21 Baseline <u>1/</u> Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 GF 3/23
TOTAL - OPERATING SPENDING CHANGES	11,882,887,800	(268,350,700)	216,050,500	11,749,970,700
CAPITAL SPENDING				
Agriculture - Mariposa Port of Entry Cold Inspection Facility	700,000	(700,000)		0
DEMA - West Valley Readiness Center	3,875,000	(3,875,000)		0
DOT - Interstate 17 Expansion (Enacted)	Other Fund			Other Fund
ADOA - State Route 24 Bridge	6,500,000	(6,500,000)		0
DOT - I-10 Widening Study	10,000,000	(10,000,000)		0
DOT - Aviation Fund Deposit	10,000,000	(10,000,000)		0
ADOA - Kingman I-40 Interchange	20,000,000	(20,000,000)		0
DOT - US 95 Yuma Road Widening	28,000,000	(28,000,000)		0
DOT - Local Road Construction Distribution	18,000,000	(18,000,000)		0
ADOA - Globe Bridge Repair	2,810,000	(2,810,000)		0
ADC - Lewis/Yuma Locks, Fire A/C	0		11,000,000	11,000,000
TOTAL - CAPITAL SPENDING	99,885,000	(99,885,000)	11,000,000	11,000,000
TOTAL - ALL SPENDING	11,982,772,800	(368,235,700)	227,050,500	11,760,970,700
REVENUE CHANGES				
Ongoing Revenue				
REV - Ongoing Revenue	11,497,037,000	414,312,000		11,911,349,000
One-Time Revenue				
REV - Beginning Balance	957,241,000	(314,278,200)	(80,616,900)	562,345,900
Fund Transfers				
REV - Prescription Drug Rebate Transfer	69,000,000	(52,300,000)		16,700,000
REV - One-Time Wells Fargo Settlement	20,000,000	(20,000,000)		0
REV - DEQ - One-Time Air Quality Fund Transfer	993,900	(993,900)		0
REV - DPS - One-Time Joint Fund Transfer	846,800	(846,800)		0
TOTAL - REVENUE CHANGES <u>2/</u>	12,545,118,700	25,893,100	(80,616,900)	12,490,394,900
ENDING BALANCE	562,345,900	394,128,800	(307,667,400)	729,424,200

1/ Represents FY 2021 Baseline cost above FY 2020 Baseline.

2/ Represents all revenue changes, including fund transfers.

DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
OPERATING SPENDING CHANGES				
SBA - State Board of Accountancy	2,045,300			2,045,300
ACU - Acupuncture Board of Examiners	176,000			176,000
DOA - Arizona Department of Administration	204,836,500			204,586,500
DOA - Delay Transfer of State Motor Vehicle Fleet Operations to ADOT		(10,191,200)	10,191,200	
DOA - Remove One-Time Government Website Support		(250,000)		
APF - Automation Projects Fund/ADOA	17,311,000			4,992,800
APF - ADOA Business One-Stop Portal		(1,000,000)		
APF - Remove One-Time Agriculture Weights and Measures IT Assessment		(200,000)		
APF - Child Safety - CHILDS Replacement Initiative (Funds at \$5.0 M in '21)		(5,107,200)		
APF - ADE - School Finance System Replacement		(3,000,000)		
APF - Remove One-Time Medical Board - Cloud Migration		(300,000)		
APF - Remove One-Time DPS - Concealed Weapons Tracking System		(410,000)		
APF - Remove One-Time DPS - Criminal Justice System Updates		(2,301,000)		
AGR - Department of Agriculture	1,750,200			1,729,300
AGR - Realign Nuclear Emergency Management Fund Assessment		(20,900)		
AXS - AHCCCS	339,302,400			317,835,500
AXS - Formula Changes		(19,398,900)		
AXS - IT System Costs (One-Time)		(2,068,000)		
BAT - Board of Athletic Training	127,000			127,000
ATT - Attorney General	55,235,900			50,485,900
ATT - Realign Criminal Division CPRF: \$950k '21; \$2.3 M '22 & '23		100,000		
ATT - Remove One-Time Police Equipment Grants		(2,500,000)		
ATT - Remove One-Time Child and Family Advocacy Centers (CPCF)		(400,000)		
ATT - Remove One-Time Arizona Peace Officer Memorial Fund Deposit		(1,000,000)		
ATT - Remove One-Time Survivors of Human Trafficking		(300,000)		
ATT - Remove One-Time First Responder Mental Health Training		(400,000)		
ATT - Remove One-Time Multidisciplinary Youth Program		(250,000)		
ATA - Automobile Theft Authority	5,312,100			0
ATA - Agency Consolidation		(5,312,100)		

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
BAR - Board of Barbers	406,300			406,300
BHE - Board of Behavioral Health Examiners	1,770,000			1,770,000
DCS - Department of Child Safety	193,495,200			197,097,200
DCS - Additional Child Care Funding			1,000,000	
DCS - Litigation			2,602,000	
BCE - State Board of Chiropractic Examiners	438,600			438,600
ACA - Arizona Commerce Authority	2,500,000			0
ACA - Remove One-Time Blockchain Research		(1,250,000)		
ACA - Remove One-Time Wearable Technology Applied Research		(750,000)		
ACA - Remove One-Time Institute for Automated Mobility		(500,000)		
ROC - Registrar of Contractors	12,368,800			12,368,800
COR - Corporation Commission	27,148,000			27,148,000
ADC - Department of Corrections	53,280,600			53,280,600
COS - Board of Cosmetology	1,949,100			1,844,900
COS - Remove One-time Digitization		(70,000)		
COS - Remove One-Time Annual Leave Payouts [Non-Lapsing to '23]		(34,200)		
CF - County Funding	500,000			500,000
JUS - Arizona Criminal Justice Commission	7,815,400			7,065,400
JUS - Remove One-Time Yavapai Felony Pretrial Intervention		(750,000)		
SDB - AZ State Schools for the Deaf and the Blind	12,921,700			12,961,500
SDB - Base Level Increase - Formula		39,800		
HEA - Comm for the Deaf & the Hard of Hearing	4,624,900			4,624,900
DEN - Board of Dental Examiners	1,229,800			1,229,800
DES - Department of Economic Security	336,309,000			358,607,400
DES - Child Care 3-5 Star Rate Increases			1,500,000	
DES - Increase Child Care Caseload by 3,000			20,798,400	

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
ADE - Arizona Department of Education	304,065,200			312,905,300
ADE - Land Trust Distribution		10,123,500		
ADE - ESA Admin. Shift to GF Appropriation/Eliminate % - SB 1224			(1,283,400)	
EMA - Department of Emergency & Military Affairs	1,458,700			1,506,100
EMA - Nuclear Emergency Management Fund Assessment		47,400		
DEQ - Department of Environmental Quality	84,881,600			69,754,200
DEQ - Remove VW Settlement Air Quality Backfill		993,900		
DEQ - Remove One-Time Wastewater Infrastructure - Nogales		(2,569,300)		
DEQ - Remove Other Fund WQARF Funding (Funded From GF in '21)			(13,552,000)	
OEO - Governor's Office of Equal Opportunity	190,200			190,200
COL - Arizona Exposition and State Fair Board	13,282,200			13,282,200
DFI - Department of Financial Institutions	4,037,200			0
DFI - Agency Consolidation		(4,037,200)		
EMB - Board of Funeral Directors and Embalmers	399,700			388,400
EMB - Remove One-Time Annual Leave Payout		(11,300)		
FIS - Arizona Game and Fish Department	43,979,100			43,979,100
GAM - Department of Gaming	16,054,000			16,144,200
GAM - Align Gaming Division Funding w/ Increased Revenues		90,200		
DHS - Department of Health Services	56,170,300			54,170,300
DHS - Remove One-Time Alzheimer's Funding		(2,000,000)		
HOM - Board of Homeopathic & Integrated Medicine Examiners	46,100			46,100
DOH - Department of Housing	322,200			322,200
IND - Industrial Commission	20,055,500			20,055,500
DIF - Department of Insurance and Financial Institutions	0			9,349,300
DIF - Agency Consolidation		9,349,300		
SPA - Judiciary - Supreme Court	30,536,600			30,536,600

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
SUP - Judiciary - Superior Court	11,973,200			11,973,200
DJC - Department of Juvenile Corrections	6,405,600			14,856,500
DJC - Maintain One-Time Offset for Local Cost Sharing (Maricopa & Pima)		8,450,900		
LAN - State Land Department	8,042,300			8,042,300
LIQ - Department of Liquor Licenses & Control	3,373,800			3,331,800
LIQ - Remove One-Time Information Technology Funding		(42,000)		
LOT - Arizona State Lottery Commission	142,394,100			147,887,600
LOT - Tab Tickets		104,200		
LOT - On-Line Vendor Fees		20,700		
LOT - Instant Ticket Sales		1,608,600		
LOT - Retailer Commissions		3,760,000		
BMT - Board of Massage Therapy	471,600			471,600
MED - Arizona Medical Board	7,036,900			7,036,900
MIN - State Mine Inspector	112,900			112,900
NAT - Naturopathic Physicians Medical Board	193,400			193,400
NAV - Navigable Stream Adjudication Commission	200,000			200,000
NUR - State Board of Nursing	4,771,000			4,771,000
NCI - Nursing Care Inst. Administrators Board	455,000			455,000
OCC - Board of Occupational Therapy Examiners	199,000			199,000
DIS - State Board of Dispensing Opticians	155,900			155,900
OPT - State Board of Optometry	240,700			240,700
OST - AZ Board of Osteopathic Examiners in Medicine/Surgery	1,012,300			1,012,300
SPB - Arizona State Parks Board	16,982,800			15,815,700
SPB - Retain One-Time Great Western Trail (OHV)		(692,100)		
SPB - Remove One-Time Arizona Trail		(250,000)		

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
SPB - Remove One-Time Buckskin Fire District Equipment		(225,000)		
PER - Personnel Board	368,100			325,900
PER - Reduction in FTE Position		(42,200)		
PHA - Arizona State Board of Pharmacy	2,665,300			2,610,300
PHA - Remove One-Time New Office Equipment		(55,000)		
PHY - Board of Physical Therapy Examiners	503,700			503,700
PIO - Arizona Pioneers' Home	6,574,200			6,574,200
POD - State Board of Podiatry Examiners	168,100			168,100
POS - Commission for Postsecondary Education	1,536,700			1,536,700
PRI - Board for Private Postsecondary Education	423,300			423,300
PSY - State Board of Psychologist Examiners	516,100			516,100
DPS - Department of Public Safety	240,683,100			238,646,200
DPS - Concealed Weapons Fund Shift - '20 Salary Adjustment		38,200		
DPS - Remove One-Time AZPOST Funding (Highway Patrol Fund)		(1,027,300)		
DPS - Adjust Peace Officer Training Equipment [Non-Lapsing thru '21]		(1,047,800)		
RUC - Residential Utility Consumer Office	1,348,600			1,348,600
RES - Board of Respiratory Care Examiners	322,600			322,600
RET - Arizona State Retirement System	24,194,000			24,194,000
REV - Department of Revenue	49,730,100			47,730,100
REV - Remove One-Time Wayfair Administration		(2,000,000)		
SOS - Secretary of State	742,800			742,800
TEC - State Board of Technical Registration	2,199,500			2,199,500
DOT - Department of Transportation	433,177,300			432,562,300
DOT - Delay Fleet Consolidation (with ADOA/ASDB)		5,675,100	(5,675,100)	
DOT - Remove One-Time Plate Production		(675,000)		

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
DOT - Remove One-Time Signs		(75,000)		
DOT - New South Mountain Freeway Maintenance		1,086,500		
DOT - Remove One-Time Security Systems - Ports of Entry		(951,500)		
TRE - State Treasurer	5,839,000			5,534,600
TRE - Shift ESA Admin. to General Fund - SB 1224			(304,400)	
UNI - Universities				
UNI - ASU	658,196,600			658,196,600
UNI - Northern Arizona University	156,154,500			156,154,500
UNI - UA - Main Campus	353,430,100			353,430,100
UNI - UA - Health Sciences Center	55,697,400			55,697,400
VSC - Department of Veterans' Services	35,607,900			39,005,200
VSC - Operating Costs for New Veterans' Homes			3,397,300	
VME - Veterinary Medical Examining Board	600,000			600,000
WAT - Department of Water Resources	2,444,500			2,444,500
OTH - Other				
OTH - ADOA Federal Financial Participation Repayment Supplemental	3,933,100	(3,933,100)		0
OTH - AHCCCS Supplemental	5,109,200	(5,109,200)		0
OTH - DHS - Public Health Emergencies Fund Deposit Supplemental - Enacted	55,000,000			0
OTH - Secretary of State HAVA Supplemental	6,690,300			0
OTH - Unallocated HITF One-Time Employer Premium Reduction	(1,307,100)	1,307,100		0
OTH - Unallocated HITF One-Time Employer Premium Increase	235,700	(235,700)		0
OTH - Remove '20 HITF One-Time Employer Premium Increase	0	(9,764,300)		(9,764,300)
OTH - One-Time HITF Employer Premium Increase			21,500,000	21,500,000
OTH - Unallocated ADOA Shared Services	30,000	(30,000)		0
OTH - Unallocated State Rent - Agency Relocation	(14,100)	14,100		0
OTH - Unallocated State Rent Increase	159,900	(159,900)		0
OTH - Unallocated IT Rate Increase	137,600	(137,600)		0
OTH - Unallocated Retirement Adjustments	220,700	(220,700)		0
OTH - Retirement Adjustment	0		3,000,000	3,000,000
OTH - Unallocated Risk Management Adjustments	700	(700)		0
OTH - 27th Pay Period			31,536,600	31,536,600

	FY 2020 OF 3/23	FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
TOTAL - OPERATING SPENDING CHANGES	\$4,165,672,400	(\$50,245,900)	\$74,710,600	\$4,128,446,800
CAPITAL SPENDING CHANGES				
Building Renewal				
Arizona Department of Administration	17,000,000	(1,000,000)		16,000,000
ADC Building Renewal (\$5.6M Exec)	6,864,300	(1,400,000)		5,464,300
Game & Fish Department	1,043,700	114,200		1,157,900
Arizona Lottery Commission	134,100	12,600		146,700
Arizona Department of Transportation	13,281,700	0		13,281,700
New Projects				
ADOA - Air Handler Units (+ \$3.1M GF)	1,000,000	(1,000,000)		0
ADC - Lewis and Yuma Locks, Fire, and HVAC	0		19,000,000	19,000,000
State Fair Civic Building Roof	400,000	(400,000)		0
Arizona Exposition and State Fair	1,300,000	(1,300,000)		0
Game & Fish Department - Dam Maintenance	150,000	(150,000)		0
Game & Fish Department - Property Maintenance	300,000	(300,000)		0
Game & Fish Department - Hatchery Maintenance	400,000	(400,000)		0
State Parks Board - Tonto Bridge Repairs	1,250,000	(1,250,000)		0
Pioneers' Home - Building Repairs	414,000	(414,000)		0
DPS - 202 Radio Tower	309,000	(309,000)		0
DPS - Remote Officer Housing (State Highway Fund)	2,400,000	(2,400,000)		0
ADOT - Statewide Highway Construction	129,488,000	(22,935,000)		106,553,000
ADOT - Controlled Access	113,442,000	7,541,000		120,983,000
ADOT - Debt Service	150,502,000	695,000		151,197,000
ADOT - Airport Planning	33,120,000	(2,220,000)		30,900,000
ADOT - Seligman/Williams Maintenance Bldgs	2,300,000	(2,300,000)		0
ADOT - Wickenburg Maintenance Yard	4,600,000	(4,600,000)		0
ADOA - Interstate 17 Expansion (Enacted)	40,000,000	5,000,000		45,000,000
TOTAL - CAPITAL SPENDING CHANGES	\$519,698,800	(29,015,200)	19,000,000	\$509,683,600
TOTAL - OPERATING & CAPITAL SPENDING	\$4,685,371,200	(79,261,100)	93,710,600	\$4,638,130,400
FUND TRANSFERS				
APF/DOA - Automation Projects Fund - All For IT Projects				
APF/DCS CHILDS Replacement		4,992,800		4,992,800
APF/DOA - Agriculture Air Quality Fund		(200,000)		0
APF/DOA - ADE ESA Account Fund for AELAS	3,000,000	(3,000,000)		0
APF/DOA - Medical Examiners Board Fund	300,000	(300,000)		0

	FY 2020 OF 3/23		FY 21 Baseline 2/ Above FY 20	FY 21 3/23 Chng to FY 21 Baseline	FY 2021 OF 3/23
APF/DOA - DPS Highway Patrol Fund	2,301,000		(2,301,000)		0
APF/DOA - DPS Concealed Weapons Permit Fund	410,000		(410,000)		0
<u>Other Transfers</u>					
DPS - Highway Patrol Fund to Highway Fund (Highway Safety Fee)	15,492,300				15,492,300
TOTAL - FUND TRANSFERS	\$21,503,300		(1,218,200)	0	\$20,485,100

1/ Represents original FY 2020 appropriations adjusted for revisions in Lottery Commission and the Universities.

2/ Represents FY 2021 Baseline cost above FY 2020 Baseline.

FY 2021 BUDGET RECONCILIATION BILL (BRB) PROVISIONS

The budget includes the enactment of statutory changes associated with its funding amount. The following provisions are grouped by subject into Budget Reconciliation Bills (BRBs).

BUDGET PROCEDURES (HB 2907/SB 1690)

Statewide

- | | <u>Section</u> |
|--|----------------|
| 1. As session law, continue to set the FY 2021 Capital Outlay Stabilization Fund (COSF) rental rate charged by the Arizona Department of Administration (ADOA) at \$17.87/square foot for rentable office space and \$6.43/square foot for rentable storage space. | BP 5 |
| 2. As session law, continue to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services. | BP 4 |
| 3. As session law, continue to notwithstanding the requirements for any deposit to or any withdrawals from the Budget Stabilization Fund through FY 2023. | BP 6 |

Local Governments

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| 4. As session law, state that the Legislature intends for counties, cities and towns to review their eviction policies and procedures during the state of emergency declaration by the Governor related to COVID-19 to allow individuals and families to remain in their places of residence. | BP 7 |
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Office of the Governor

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| 5. As permanent law, create the Crisis Contingency and Safety Net Fund in the Office of the Governor. Monies in the fund may only be used by the Governor for the following forms of economic assistance during a state of emergency: 1) housing assistance; 2) services for homeless persons; 3) economic assistance to small businesses with less than 50 employees, non-profit organizations, and health care providers; and 4) monies for food bank operations. The fund is non-appropriated and monies in the fund are non-lapsing. Prior to spending monies from the fund, requires reporting on the intended use of the monies. | BP 2 |
| 6. Appropriates \$50,000,000 as a supplemental from the General Fund in FY 2020 for deposit in the newly created Crisis Contingency and Safety Net Fund. Requires that any monies unexpended and unencumbered on June 30, 2021 revert to the General Fund. | BP 8 |

Secretary of State

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| 7. As session law, notwithstanding the \$1.25 per voter county reimbursement for the 2020 presidential preference election and instead establish reimbursement methodology in the General Appropriation Act. | BP 3 |
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Department of Transportation

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| 8. As permanent law, delay the effective date of the Motor Pool Consolidation Fund to July 1, 2021. | BP 1,9 |
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CRIMINAL JUSTICE (HB 2900/SB 1683)

	<u>Section</u>
State Department of Corrections	
9. As session law, continue to require the department to report actual FY 2020, estimated FY 2021, and requested FY 2022 expenditures as delineated in the prior year when the department submits its FY 2021 budget request pursuant to A.R.S. § 35-113.	CJ 6
Department of Emergency and Military Affairs	
10. As session law, extend to FY 2022 the lapsing date of the FY 2019 appropriation of \$1,250,000 from the Military Installation Fund for the construction of a new Tucson Readiness Center.	CJ 4
Department of Public Safety	
11. As permanent law, continue to require the Department of Public Safety (DPS) to receive JLBC review of the annual expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount appropriation prior to its expenditure. This provision has previously been authorized as session law.	CJ 2
12. As permanent law, continue to allow the Concealed Weapons Permit Fund to be used for DPS operating expenses. This provision has previously been authorized as session law.	CJ 1
13. As session law, continue to allow the State Aid to Indigent Defense Fund to be used for DPS operating expenses.	CJ 7
14. As permanent law, continue to allow DPS to use the Arizona Highway Patrol Fund for the Pharmaceutical Diversion and Drug Theft Task Force. This provision has previously been authorized as session law.	CJ 3
15. As session law, continue to allocate \$400,000 from the GIITEM General Fund distribution to the Pima County Sheriff's Office.	CJ 5

ENVIRONMENT (HB 2906/SB 1689)

	<u>Section</u>
Department of Environmental Quality	
16. As session law, continue to allow the department to utilize up to \$6,531,000 from the Underground Storage Tank (UST) Fund in FY 2021 for department administrative expenses and for sewage remediation.	ENV 2
17. As session law, fund the Water Quality Assurance Revolving Fund (WQARF) appropriation from the General Fund in FY 2021.	ENV 4
18. As session law, continue the FY 2019 level of vehicle emissions inspection fees in FY 2021 (FY 2020 fees are \$3 less than FY 2016 in Area A, which includes Maricopa County and portions of Pinal and Yavapai Counties.)	ENV 5
Arizona Navigable Stream Adjudication Commission	
19. As session law, continue to allow use of the Water Banking Fund for the commission's legal obligations.	ENV 3
Department of Water Resources	
20. As session law, continue to allow the department's Water Protection Fund Commission to spend up to \$336,000 on administrative functions out of their unobligated balances in FY 2021.	ENV 1

- 21. As session law, continue to allow the department non-municipality special fee authority, including an intent clause that limits additional revenue up to \$100,200, and exempt the department from rulemaking for this purpose.

HEALTH (HB 2905/SB 1688)

Section

AHCCCS

Rates and Services

- 22. As session law, continue the FY 2010 risk contingency rate reduction for all managed care organizations. Continue to impose a reduction on funding for all managed care organizations administrative funding levels. HLTH 7

Counties

- 23. As session law, set the FY 2021 county Arizona Long Term Care System (ALTCS) contributions at \$305,872,000. HLTH 1
- 24. As session law, set the County Acute Care contribution at \$45,819,000. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328. HLTH 4
- 25. As session law, continue to exclude Proposition 204 administration costs from county expenditure limitations. HLTH 5
- 26. As session law, continue to require AHCCCS to transfer any excess monies back to the counties by December 31, 2021 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act. HLTH 3

Hospitals

- 27. As session law, continue to establish FY 2021 disproportionate share (DSH) distributions to the Maricopa Special Healthcare District (MIHS), the Arizona State Hospital, private qualifying disproportionate share hospitals, and Yuma Regional Medical Center. Keep the MIHS distribution of \$113,818,500 in FY 2021. HLTH 2
- 28. As session law, continue to require AHCCCS to give priority to rural hospitals in Pool 5 distribution, and allow MIHS to be eligible for Pool 5 allocations. Permit local jurisdictions to provide additional local match for Pool 5 distributions. HLTH 2

Available Funding

- 29. As session law, continue to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation. HLTH 10

Department of Health Services

- 30. As session law, continue to exempt county expenditures on Restoration to Competency treatment at the Arizona State Hospital from county expenditure limitations. HLTH 6
- 31. As session law, continue to notwithstanding A.R.S. § 5-572 and A.R.S. § 36-108.01 to allow the Health Services Lottery monies to be used for homeless pregnant women services. HLTH 9
- 32. As session law, continue fee raising authority and an exemption relating to establishing fees for the Bureau of Radiation Control in FY 2021. Includes an intent clause that limits additional revenues to \$1,900,000. HLTH 8

HIGHER EDUCATION (HB 2903/SB 1686)

Section

Arizona Community Colleges

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| 33. | As session law, continue to suspend the Operating State Aid funding formula in FY 2021 for Maricopa and Pima Counties. | HEd 3 |
| 34. | As session law, continue to suspend Maricopa, Pima, and Pinal's Science, Technology, Engineering and Mathematics and Workforce Programs funding formula for FY 2021. The Pinal funding would be specified in the General Appropriation Act and would again equal \$96,500. The Maricopa and Pima distributions are already set by the FY 2020 General Appropriation Act through FY 2022. | HEd 2 |

Universities

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| 35. | As session law, continue to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into Arizona Financial Aid Trust (AFAT). | HEd 1 |
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HUMAN SERVICES (HB 2904/SB 1687)

Section

Arizona Health Care Cost Containment System/Department of Economic Security

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| 36. | As session law, permit AHCCCS to provide payments to providers of behavioral health services and providers of services to developmentally disabled (DD) individuals and elderly and physically disabled (EPD) individuals in order to ensure providers maintain capacity during the COVID-19 state of emergency, retroactive to March 10, 2020. Require that any payments ensure federal financial participation and be within AHCCCS' expenditure authority for FY 2020. | HS 5 |
| 37. | As session law, permit the Department of Economic Security (DES) and AHCCCS to temporarily adjust provider reimbursement rates for services to DD individuals in order provider additional funding for increased overtime expenses that providers experience due to loss of staff during the COVID-19 state of emergency, retroactive to March 10, 2020. Require that any adjustments be within DES' expenditure authority. | HS 5 |

Department of Child Safety

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| 38. | As session law, require the Auditor General to complete an audit of DCS' Missing Children on or before September 30, 2021. | HS 3 |
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Department of Economic Security

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| 39. | As session law, continue to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if the Department of Economic Security (DES) has reasonable cause to believe that the recipient uses illegal drugs. | HS 2 |
| 40. | As permanent law, continue to allow the Special Administration Fund to be used for purposes other than administration of unemployment benefits. This provision has previously been authorized as session law. | HS 1 |
| 41. | As session law, require that the department provide an exemption from the 12-month and 24-month time limits and work requirements to recipients of Temporary Assistance for Needy Families (TANF) cash assistance during the COVID-19 state of emergency, retroactive to March 10, 2020. | HS 4 |

K-12 EDUCATION (HB 2902/SB 1685)

	<u>Section</u>
Department of Education	
<i>Formula Requirements</i>	
42. As permanent law, increase the base level (A.R.S. § 15-901B2), the transportation funding levels (A.R.S. § 15-945A5) and the charter school “Additional Assistance” amounts (A.R.S. § 15-185B4) by 1.74% for standard inflation.	K12 1,2,3
43. As permanent law, increase the base level by an additional \$83.08 to incorporate into Basic State Aid \$124,500,000 for teacher salary increases already appropriated for FY 2021 by Section 136 of the FY 2019 General Appropriation Act.	K12 2
44. As permanent law, amend A.R.S. § 42-5029.02 to require, beginning in FY 2022, that \$64,100,000 of Proposition 301 monies transferred to the Superintendent of Public Instruction to fund Basic State Aid.	K12 5
<i>Results-Based Funding</i>	
45. As session law, continue to notwithstanding A.R.S. § 15-249.08 to allocate Results-Based Funding using the same formula that was used in FY 2020, but based on AzMERIT test results from spring 2019 rather than spring 2018. Under permanent law, the Results-Based Funding instead would have been distributed in FY 2021 to schools with a letter grade A under the A-F performance rating developed by the State Board of Education.	K12 8
46. As session law, continue to make eligible for Results-Based Funding schools with AzMERIT test results in the top 13% for schools with less than 60% of students eligible for free and reduced-price lunch (FRPL) and to the top 27% for schools with 60% or higher FRPL eligibility.	K12 8
47. As session law, continue to establish per-pupil funding levels of \$225 for qualifying schools with less than 60% FRPL eligibility and for schools with more than 60% FRPL eligibility that have AzMERIT results in the top 27%, but not the top 13% of schools with 60% or higher FRPL eligibility. Qualifying schools with greater than 60% FRPL eligibility and with AzMERIT results in the top 13% of schools with 60% or more FRPL eligibility would receive \$400.	K12 8
48. As session law, continue to provide an alternative school with \$400 per student if it reported AzMERIT scores for both math and English language arts for spring 2019 testing and its average pass rate for those 2 tests combined equaled or exceeded the average combined pass rate observed for the top 27% of schools with 60% or higher free or reduced price lunch eligibility rates.	K12 8
<i>Other</i>	
49. As session law, continue stating that it is the intent of the Legislature and Governor that school districts increase the total percentage of classroom spending in the combined categories of instruction, student support and instructional support as defined by the Auditor General.	K12 9
50. As session law, amend Laws 2018, Chapter 285, Sections 27 and 28 to increase FY 2021 District Additional Assistance (DAA) spending by an additional \$64,367,500 and Charter Additional Assistance (CAA) funding by an additional \$3,407,200. In addition, fully funds the DAA/CAA formula in FY 2022 instead of FY 2023.	K12 6,7
51. As permanent law, update the Qualifying Tax Rate and State Equalization Tax Rate cited in A.R.S. § 41-1276 to reflect the Truth in Taxation rates established for FY 2021 under it.	K12 4

REVENUE (HB 2901/SB 1684)

	<u>Section</u>
Arizona Department of Agriculture	
52. As session law, continue fee changing authority and an exemption relating to establishing fees for the Arizona Department of Agriculture in FY 2021. The bill continues an intent clause that limits additional revenues to \$357,000.	REV 6
Counties and Cities & Towns	
53. As session law, continue to allow counties with a population below 250,000 in the 2010 decennial census to use any source of county revenue to meet a county fiscal obligation for FY 2021, up to \$1,250,000 of county revenue for each county. Requires counties using this authority to report to the Director of JLBC on the intended amount and sources of funds by October 1, 2020.	REV 7
Department of Gaming	
54. As session law, continue to set the Racing Wagering Assessment at 0.5% in FY 2021 only.	REV 5
Department of Insurance and Financial Institutions	
55. As permanent law, remove the requirement that fees collected by the department be between 95% and 110% of the department's appropriation.	REV 1,2,3,4
Department of Revenue	
56. As session law, continue legislative intent statement that local fees to fund the Department of Revenue (DOR) are not to exceed \$20,755,835 and are to be allocated between cities and towns, counties, the Maricopa Association of Governments and the Pima Association of Governments based on the prorated share of all revenues distributed to them (excluding Highway User Revenue Fund money).	REV 8

FY 2021 GENERAL APPROPRIATION ACT PROVISIONS (HB 2909/SB 1692)

The budget includes the following provisions in the General Appropriation Act. These provisions are in addition to the individual agency appropriations, but exclude supplemental appropriations, ex-appropriations, and fund transfers.

	<u>Section</u>
Department of Education	
1. As session law, continue to defer \$930,727,700 in Basic State Aid payments for FY 2021 until FY 2022. Appropriate \$930,727,700 in FY 2022 for these deferred Basic State Aid payments. Continue to exempt school districts with less than 600 students from the K-12 Rollover. Allow ADE to make the rollover payment no later than July 12, 2021.	114
2. As session law, continue to require school districts to include in the FY 2021 revenue estimates that they use for computing their FY 2021 tax rates the rollover monies that they will receive for FY 2021 in July 2021.	114
Revenues	
3. As session law, continue to specify revenue and expenditure estimates for FY 2020, FY 2021, FY 2022, and FY 2023.	123
4. As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2020 ending balances by September 15, 2020. Require JLBC Staff to report to JLBC by October 15, 2020 as to whether FY 2021 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections.	123
Statewide	
5. As session law, continue to state legislative intent that all budget units receiving appropriations continue to report actual, estimated and requested expenditures in a format similar to prior years.	119
6. As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2021 in all agencies and provide it to the JLBC Director by October 1, 2021. The Universities are exempt from the report but are required to report separately.	120
7. As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2020 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2020.	121
8. As session law, continue to require ADOA to report monthly to the JLBC Director on agency transfers of spending authority from one expenditure class to another or between programs.	122
9. As session law, charges a total of \$1,798,500 from 34 state agencies in FY 2021 for general agency counsel provided by the Attorney General pursuant to A.R.S. § 41-191.09.	116
General	
10. As session law, continue to define “*” as designating an appropriation exempt from lapsing.	124
11. As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations.	125
12. As session law, continue to define "review by the Joint Legislative Budget Committee" as a review by a vote of a majority of a quorum of the members.	126

FY 2021 MAJOR FOOTNOTE CHANGES

The budget includes the following major additions, deletions or modifications of footnotes. This list does not include footnote changes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy.

Arizona Department of Administration

- | | <u>Section</u> |
|---|----------------|
| 13. Deletes footnote allowing the Department of Administration to use monies appropriated for building renewal for building demolition. (Capital) | CO 1 |

AHCCCS

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| 14. Modifies footnote to allow AHCCCS to use GME funding to cover indirect costs of hospitals participating in the program. | 8 |
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Department of Child Safety

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| 15. Adds footnote exempting monies for litigation expenses from the provisions of A.R.S. 35-190, relating to lapsing of appropriations, until June 30, 2022. | 14 |
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Department of Economic Security

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| 16. Adds footnote requiring the department to submit proposed changes to child care reimbursement rates to the JLBC for review. | 107 |
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Department of Emergency and Military Affairs

- | | |
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| 17. Adds footnote extending to FY 2022 the lapsing date of the FY 2019 appropriation of \$3,759,000 from the General Fund for the construction of a new Tucson Readiness Center. (Capital) | CO 6 |
| 18. Adds footnote extending to FY 2023 the lapsing date of the FY 2020 appropriation of \$3,875,000 from the General Fund for the construction of a new West Valley Readiness Center. (Capital) | CO 6 |

Department of Health Services

- | | |
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| 19. Adds footnote stipulating on or before May 31, 2021, the Department of Health Services shall submit a report to the JLBC for review on the progress of the department's implementation of recommendations included in the Auditor General's September 2019 report regarding the investigation of long-term care facility complaints and self-reports. The report shall include information for staff allocated to long-term care investigations since publication of the September 2019 audit, a summary of the department's implemented investigation time frames and updates to its investigation policies and procedures, and an assessment of the department's performance in investigating long-term care facility complaints and self-reports according to audit recommendations and the implemented investigation timeframes. | 42 |
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Department of Insurance and Financial Institutions

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| 20. Adds footnote requiring agency to set the fees required to be deposited into the General Fund at a level that will equal or exceed the department's General Fund expenditure. A similar footnote was previously included in the Department of Financial Institutions budget. | 49 |
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Department of Public Safety

- | | |
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| 21. Adds footnote extending the lapsing date for the FY 2020 appropriation for Peace Officer Training Equipment to June 30, 2021 and reverting any unexpended monies to the fund from which the monies were appropriated. | 76 |
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Department of Revenue

22. Adds footnote stipulating on or before March 31, 2021, the Department shall submit a report to the JLBC for review on the progress of the department's implementation of recommendations included in the Auditor General's March 2019 report regarding transaction privilege tax administration and enforcement. The report shall include an assessment of the effectiveness of the department's efforts to reduce the risk of misreporting and underreporting transaction privilege tax through information technology controls and data analysis and the department's progress in identifying and fixing errors in the department's tax system TPT licensing information. 81

Secretary of State

23. Adds footnote extending the lapsing date of the FY 2019 appropriation for Other Help America Vote Act Projects to June 30, 2022. 83
24. Adds footnote establishing a 6-tier county reimbursement schedule for FY 2020 Presidential Preference Election based on the number of active registered voters as of January 1, 2020. States that the appropriation does not set a precedent for future reimbursement levels. Sets the appropriation lapsing date to December 31, 2020 and requires the Secretary of State to submit a report to the JLBC and OSPB on actual spending on the lapsing date. 103

Statewide (Statewide Adjustments)

25. Adds footnote allowing the JLBC to allocate General Fund and Other fund statewide adjustments for employer health insurance contribution adjustments. The adjustments include 1) a one-time reduction to employer contribution rates. and 2) new a one-time increase employer contribution rates. The JLBC shall use the overall allocation of General Fund and appropriated tuition for each university when determining that university's specific adjustment. 115
26. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide adjustments to state agencies, excluding the universities, for the one-time 27th pay period in FY 2021. The JLBC shall use the overall allocation for General Fund and appropriated tuition for each university when determining the university's specific adjustment. 115, 118
27. Adds footnote allowing the JLBC to allocate General Fund and Other Fund statewide state agency retirement adjustments. The JLBC shall use the overall allocation of General Fund and appropriated tuition for each university when determining that university's specific adjustment. 115