

JLBC Annual State Funds Report

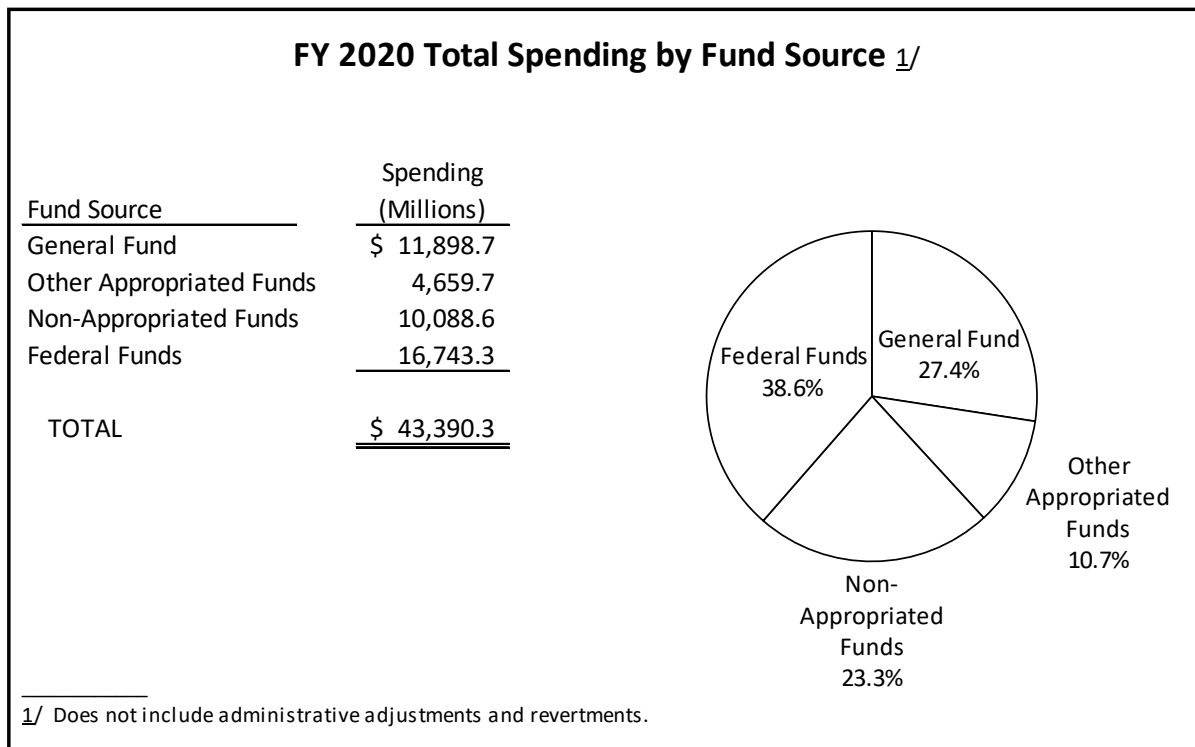
A.R.S. § 41-1273 requires the JLBC Staff to report to the Joint Legislative Budget Committee (JLBC) by December 1 of each year on statutorily deleted and newly created funds, including funds that changed appropriated status from the prior fiscal year.

During the 2019 Legislative Session, the state statutorily made the following permanent changes:

- Created 6 new non-appropriated special license plate funds. The expenditure level of these funds is not currently known as the plates will be established in FY 2020 or future years.
- Created 6 new pass-through funds of which 1 is appropriated and 5 are non-appropriated. These funds' primary source of revenue is a General Fund appropriation. Expenditures from these funds are displayed as \$0 in the report to avoid the double counting of General Fund appropriations.
- Created 7 other funds with estimated FY 2020 expenditures totaling \$0, as reported by the agency. Of these 7 funds, 2 are appropriated and 5 are non-appropriated.
- Changed the status of 1 fund from appropriated to non-appropriated.
- Eliminated 15 funds with FY 2019 expenditures totaling \$300,400. These funds were eliminated because they were no longer being used, unless otherwise specified in the report.

Table 1 shows total state spending by fund source, which totals \$43.4 billion in FY 2020. The largest category of funding type is Federal Funds (39%), which is followed by General Fund (27%), Non-Appropriated Funds (23%), and Other Appropriated Funds (11%).

A detailed summary of the fund changes, as well as the sources and uses for each impacted fund, can be found on the following pages.



New Funds

Economic Security, Department of

Family Caregiver Grant Program Fund (No Fund Number/A.R.S. § 46-343)

Appropriated Status: Non-Appropriated

Source of Revenue: Grants, gifts, donations, and legislative appropriations.

Purpose of Fund: To provide grants to individuals who are caring for and supporting a qualifying family member in the individual's home. General Fund appropriation expenditures are not displayed to avoid double counting of appropriations.

Funds Expended	0	0
Year-End Fund Balance	0	0

Education, Department of

Arizona Industry Credentials Incentive Fund (No Fund Number/A.R.S. § 15-249.15)

Appropriated Status: Non-Appropriated

Source of Revenue: Legislative appropriations. Laws 2019, Chapter 263 appropriated \$5,000,000 from the General Fund to this fund for the program in each of FY 2021 and FY 2022. Monies in the fund are exempt from the provisions of A.R.S. § 35-190 relating to lapsing of appropriations. The Legislature appropriated no money to the fund in FY 2020.

Purpose of Fund: To fund the Arizona Industry Credential Incentive program, which provides incentive payments to career technical education programs for each high school graduate who earns a select industry certification.

Funds Expended	0	0
Year-End Fund Balance	0	0

College Credit by Examination Development Fund (No Fund Number/A.R.S. § 15-249.06)

Appropriated Status: Non-Appropriated

Source of Revenue: Monies appropriated to the Arizona Department of Education for the College Credit by Examination Incentive Program authorized by A.R.S. § 15-249.06, but that are not distributed by the end of the fiscal year in which they are appropriated.

Purpose of Fund: To help schools with 50%+ eligibility rates for free or reduced-price lunches develop and operate classes that offer qualifying examinations under the College Credit by Examination Incentive Program authorized by A.R.S. § 15-249.06.

Funds Expended	0	0
Year-End Fund Balance	0	0

Forestry and Fire Management, Department of

Nonnative Vegetation Species Eradication Fund (FFM9900/A.R.S. § 37-1309)

Appropriated Status: Non-Appropriated

Source of Revenue: Legislative appropriations. The FY 2020 General Appropriation Act appropriated \$1,000,000 from the General Fund to the department in each of FY 2020 through FY 2029 to deposit into the Nonnative Vegetation Species Eradication Fund.

Purpose of Fund: To provide grants to other state agencies, cities, towns, counties, Indian tribes, other political subdivisions and nonprofit organizations for projects that will assist in fire and flood prevention, conservation of water, replacing nonnative vegetative species with native vegetative species and restoring native habitats. General Fund appropriation expenditures are not displayed to avoid double counting of appropriations.

Funds Expended	0	0
Year-End Fund Balance	0	1,495,000

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
<u>Health Services, Department of</u>		
Alzheimer's Disease Research Fund (No Fund Number/A.R.S. § 36-123.02)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Monies from special plate fees and renewals. Of the \$25 fee, \$8 is for administrative costs deposited to the State Highway Fund and \$17 is for donations deposited to the Alzheimer's Disease Research Fund.		
Purpose of Fund: To distribute to 501(c)(3) charitable organizations that are headquartered in Arizona, have been operating in Arizona for at least 10 years, and have participating member institutions that work together to end Alzheimer's disease and educate Arizona residents about Alzheimer's disease.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Workforce Data Repository Fund (No Fund Number/A.R.S. § 36-172)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Legislative appropriations, fees, grants, and donations. The Legislature appropriated no money to the fund in FY 2020.		
Purpose of Fund: To maintain a health professionals workforce data repository containing data transferred to the department from health regulatory boards.		
Funds Expended	0	0
Year-End Fund Balance	0	0
<u>Parks Board, Arizona State</u>		
Arizona State Parks Heritage Fund (PRA2296/A.R.S. § 41-502)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Legislative appropriations, grants, and donations. The Legislature appropriated no money to the fund in FY 2020.		
Purpose of Fund: Monies in the Heritage Fund are to be used as follows: 50% on parks for outdoor recreation and open space development, restoration, or renovation; 30% on historic preservation administered through the State Historic Preservation Officer; 10% on nonmotorized trails; and 10% on outdoor and environmental education.		
Funds Expended	0	0
Year-End Fund Balance	0	0
<u>Public Safety, Department of</u>		
Public Safety Interoperability Fund (PSA9900/A.R.S. § 41-1733)		
Appropriated Status: Appropriated		
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To fund upgrades to public safety interoperable communication systems. Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
Funds Expended	0	0
Year-End Fund Balance	0	1,500,000
<u>Regents, Arizona Board of</u>		
Arizona Teachers Academy Fund (BRA9900/A.R.S. § 15-1655)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To reimburse postsecondary institutions for Arizona Teachers Academy scholarships, induction services for academy graduates, and marketing and promotion costs of the academy (which are capped at 3% of monies in the fund each fiscal year). Amounts appropriated from the General Fund are not displayed to avoid double counting of expenditures.		
Funds Expended	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
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Secretary of State, Department of State

County Contributions to the Voter Registration System Fund (STA8888/A.R.S. § 16-168.01)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives monies transferred from counties to the Secretary of State.

Purpose of Fund: To develop and administer the statewide database of voter registration information. The Secretary of State did not report an estimate of expenditures.

Funds Expended	0	0
Year-End Fund Balance	0	0

Electronic Records Repository Fund (No Fund Number/A.R.S. § 41-151.26)

Appropriated Status: Appropriated

Source of Revenue: Monies received from legislative appropriations, gifts, nonfederal grants, fees, and donations. The Legislature did not appropriate monies from the fund in FY 2020.

Purpose of Fund: To fund operating expenses for the state library's electronic records repository.

Funds Expended	0	0
Year-End Fund Balance	0	0

Transportation, Department of

Arizona Home Ownership Special Plate Fund (DTA2650/A.R.S. § 28-2465)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives \$17 of the \$25 paid for an original or renewal of an Arizona Home Ownership Special License Plate.

Purpose of Fund: For a nonprofit corporation in the state that seeks to build homes, focuses on providing shelter, advocates for affordable housing, and supports sustainable development.

Funds Expended	0	0
Year-End Fund Balance	0	0

Collegiate Football Bowl Game Special Plate Fund (DTA2650/A.R.S. § 28-2466)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives \$17 of the \$25 paid for an original or renewal of a Collegiate Football Bowl Game Special License Plate.

Purpose of Fund: For a specified nonprofit corporation in the state involved in community outreach and service through youth, sports and education.

Funds Expended	0	0
Year-End Fund Balance	0	0

Community Services Special Plate Fund (DTA2650/A.R.S. § 28-2467)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives \$17 of the \$25 paid for an original or renewal of a Community Services Special License Plate.

Purpose of Fund: For a specified nonprofit corporation in the state that promotes economic development and business cooperation with county and other governmental organizations, solicits and administers grants to improve public facilities, and sponsors, hosts or organizes events and educational activities that promote tourism and fire prevention.

Funds Expended	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
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Humanitarian Services Special Plate Fund (DTA2650/A.R.S. § 28-2468)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives \$17 of the \$25 paid for an original or renewal of a Humanitarian Services Special License Plate.

Purpose of Fund: For a specified nonprofit corporation in the state, which shall use the deposited monies for summer camp programs for special needs children and adults, for vision and hearing services, for maintaining and operating the organization's memorial and visitor center, for community service projects, and for senior care facilities.

Funds Expended	0	0
Year-End Fund Balance	0	0

Motor Vehicle Pool Consolidation Fund (No Fund Number/A.R.S. § 28-414)

Appropriated Status: Appropriated

Source of Revenue: Consisting of monies transferred from the motor vehicle pool revolving fund. All previous balances and future revenue are deposited into this fund effective July 1, 2020, so no activity is displayed here.

Purpose of Fund: To reimburse the department for costs related to implementing an intergovernmental agreement with the department of administration to operate the state motor vehicle fleet.

Funds Expended	0	0
Year-End Fund Balance	0	0

Share the Road Special Plate Fund (DTA2650/A.R.S. § 28-2464)

Appropriated Status: Non-Appropriated

Source of Revenue: Receives \$17 of the \$25 paid for an original or renewal of a Share the Road Special License Plate.

Purpose of Fund: Half of the deposited monies are allocated to a nonprofit corporation that is headquartered in the state and promotes safety and awareness in the cycling community. The remaining half of deposited monies are allocated to a nonprofit corporation that is headquartered in the state and offers the opportunity for a person to use a loaner bicycle if the person is registered in a charity cycling event and is not able to afford to purchase a bicycle.

Funds Expended	0	0
Year-End Fund Balance	0	0

Water Resources, Department of

Arizona System Conservation Fund (WCA9900/A.R.S. § 45-118)

Appropriated Status: Non-Appropriated

Source of Revenue: Legislative appropriations and grants and contributions from private and public entities.

Purpose of Fund: Reduce Colorado River water use by funding conservation measures, water diversions, and foregoing water deliveries. Expenditures are not displayed to avoid double counting of General Fund monies.

Funds Expended	0	0
Year-End Fund Balance	0	23,975,500

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
Temporary Groundwater and Irrigation Efficiency Projects Fund (WCA9901/A.R.S. § 45-615.01)		
Appropriated Status: Non-Appropriated		
Source of Revenue: General Fund monies, groundwater withdrawal fees collected in the Pinal active management area, grants from federal agencies, and monies deposited in the fund by qualified irrigation districts in the Phoenix active management area, the Pinal active management area and the Harquahala irrigation non-expansion area.		
Purpose of Fund: Funding projects for the construction and rehabilitation of wells and related infrastructure for the withdrawal and efficient delivery of groundwater by qualified irrigation districts in the Phoenix active management area, the Pinal active management area, and the Harquahala irrigation non-expansion area. Expenditures are not displayed to avoid double counting of General Fund monies.		
Funds Expended	0	0
Year-End Fund Balance	9,039,500	22,694,800

SUMMARY OF FUNDS BY AGENCY

**FY 2019
Actual****FY 2020
Estimate**

Changed Status

Education, Department of**American Civics Education Fund (EDA9900/Laws 2018, Chapter 289)****Appropriated Status:** Non-Appropriated**Source of Revenue:** Legislative appropriations and other monies transferred into the fund. Laws 2018, Chapter 289 appropriated \$500,000 from the General Fund to this fund for the program in FY 2020. Laws 2019, Chapter 265 changed the fund from appropriated to non-appropriated because it received a General Fund appropriation.**Purpose of Fund:** To fund the American Civics Education pilot program established by Laws 2018, Chapter 289. Expenditures from this fund are not displayed to avoid double counting General Fund monies.

Funds Expended	0	0
Year-End Fund Balance	0	500,000

Deleted Funds

Administration, Department of

Oil Overcharge Fund (GVA3171/A.R.S. § 41-1509)

Appropriated Status: Non-Appropriated

Source of Revenue: Federal court settlements by oil companies who overcharged consumers during the petroleum price controls of the 1970's, and interest earnings.

Purpose of Fund: To provide restitution to the citizens of Arizona. Restitution is to be made through energy programs administered by the state.

Funds Expended	4,800	0
Year-End Fund Balance	0	0

Child Safety, Department of

Child Safety Expedited Substance Abuse Treatment Fund (CHA2421/A.R.S. § 8-812)

Appropriated Status: Non-Appropriated

Source of Revenue: An annual appropriation from the state General Fund.

Purpose of Fund: To provide expedited drug treatment to guardians and parents when a dependency case plan calls for treatment.

Funds Expended	0	0
Year-End Fund Balance	0	0

Joint Substance Abuse Treatment Fund (CHA2429/A.R.S. § 8-881)

Appropriated Status: Non-Appropriated

Source of Revenue: Legislative appropriations from the General Fund and the Federal Temporary Assistance for Needy Families Block Grant.

Purpose of Fund: To be jointly administered by DCS and the Department of Health Services for services to families and Federal Temporary Assistance for Needy Families recipients involved with DCS and whose substance abuse is a significant barrier to maintaining, preserving, or reunifying the family. An amount of not more than 5% can be used for program development costs. Up to 10% can be used for evaluating community programs delivering the services. Expenditures from this fund are not displayed to avoid double counting appropriated monies.

Funds Expended	0	0
Year-End Fund Balance	0	0

Education, Department of

American Competitiveness Project Fund (EDA2361/A.R.S. § 15-245)

Appropriated Status: Non-Appropriated

Source of Revenue: Donations, grants, gifts, contributions and devises from individuals, corporations and nonprofit organizations.

Purpose of Fund: To fund technical assistance and distribute grants to schools and other local educational agencies that offer academic programs that emphasize foreign language acquisition, international business, and world history.

Funds Expended	0	0
Year-End Fund Balance	800	800

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
Technology-Based Language Development and Literacy Intervention Fund		
(EDA2579/A.R.S. § 15-217)		
Appropriated Status: Appropriated		
Source of Revenue: Unused monies from the now-repealed Early Graduation Scholarship Program. The FY 2015 K-12 Education Budget Reconciliation Bill (Laws 2014, Chapter 17) required the Commission for Postsecondary Education to transfer these monies (\$546,800) into the fund from its IGA/ISA Fund by August 1, 2014. As session law, Chapter 17 also appropriated \$300,000 annually from the new fund in FY 2015 and FY 2016 for the pilot program. Laws 2016, Chapter 124 made program monies non-lapsing through FY 2018.		
Purpose of Fund: To fund a pilot program to promote English language development and literacy for public school pupils in Grades K-6.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Environmental Quality, Department of		
Indirect Cost Fund (EVA7000/A.R.S. § 49-104)		
Appropriated Status: Appropriated		
Source of Revenue: Monies transferred from the department's appropriated and non-appropriated funds, including federal grants.		
Purpose of Fund: To pay departmentwide administrative and overhead costs. This fund is inactive, because the monies from this fund were transferred to the department's Indirect Cost Recovery Fund.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Intergovernmental Agreement Fund (EVA2180/A.R.S. § 49-104)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Grants and intergovernmental agreements from various entities, including the Game and Fish Department and the Water Protection Commission.		
Purpose of Fund: To be used as specified in the grant or agreement.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Used Oil Fund (EVA3500/A.R.S. § 49-818)		
Appropriated Status: Appropriated		
Source of Revenue: Legislative appropriations and penalties for misuse of used oil.		
Purpose of Fund: For costs associated with the collection and analysis of used oil fuel samples.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Voluntary Lawn and Garden Equipment Emissions Reduction Fund		
(EVA2306/A.R.S. § 49-474)		
Appropriated Status: Non-Appropriated		
Source of Revenue: Historically received an annual \$10,000 appropriation for operating costs from the since-abolished UST State Assurance Account (SAF). This fund no longer receives an appropriation.		
Purpose of Fund: To provide vouchers for the retirement of residential and commercial lawn mowers. Residential owners receive a \$100 voucher to be used toward the purchase of an electric mower. Commercial owners receive a \$200 voucher to be used toward the purchase of a mower that generates lower emissions.		
Funds Expended	0	0
Year-End Fund Balance	1,700	1,700

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
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Housing, Department of

Building and Fire Safety Fund (HDA2211/A.R.S. § 41-2173)

Appropriated Status: Non-Appropriated

Source of Revenue: Registration fees charged to fire training school participants.

Purpose of Fund: This fund was previously used to: a) to implement a fire and life safety inspection program for the removal or installation of storage tanks and to ensure that owners and operators are complying with and reporting environmental releases to the proper agencies; b) to implement a fire and life safety inspection program for all building licenses under Federal Medicaid and Medicare Programs and provide staff to perform inspections; and c) to provide training classes at the local level to address the needs of volunteer firefighters. The fund was transferred from FBLS to DOH by Laws 2016, Chapter 128. The fund has not been utilized since the implementation of Chapter 128.

Funds Expended	0	0
Year-End Fund Balance	0	0

Housing Development Fund (HDA2313/A.R.S. § 41-3956)

Appropriated Status: Non-Appropriated

Source of Revenue: Monies transferred through legislation from the Housing Trust Fund. The Legislature transferred \$500,000 from the Housing Trust Fund in FY 1999 and FY 2001. No new appropriations are being sought for this fund.

Purpose of Fund: To provide incentives for the development of affordable housing around state prisons for state prison employees.

Funds Expended	0	0
Year-End Fund Balance	0	0

Juvenile Corrections, Department of

DJC Career Technical Education Fund (DJA2326/A.R.S. § 41-2828)

Appropriated Status: Non-Appropriated

Source of Revenue: Proceeds generated by any department educational, vocational, treatment, training, or work program, including the sale of unneeded equipment or supplies.

Purpose of Fund: To pay expenses that are required for any educational, vocational, treatment, training or work program established by the department.

Funds Expended	0	0
Year-End Fund Balance	0	0

Training Institute Fund (DJA2001/A.R.S. § 41-2824)

Appropriated Status: Non-Appropriated

Source of Revenue: Monies received from grants, gifts, donations, services or other financial assistance.

Purpose of Fund: To train tribal personnel who have limited access to training within their jurisdictions.

Funds Expended	0	0
Year-End Fund Balance	0	0

Tourism, Department of

Tourism Workshop Fund (TOA3163 / A.R.S. § 41-2307)

Appropriated Status: Non-Appropriated

Source of Revenue: Workshop registration fees, trade marketing recoveries, advertising recoveries, and other operating revenue.

Purpose of Fund: To pay for expenses incurred for the annual Governor's Tourism Conference and other projects. There is currently no activity in this fund.

Funds Expended	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS BY AGENCY	FY 2019 Actual	FY 2020 Estimate
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Treasurer, State

State Treasurer's Management Fund (TRA3799/A.R.S. § 35-326.01)

Appropriated Status: Appropriated

Source of Revenue: A portion of management fees paid by the General Fund, state agencies, cities, towns, tribal governments, counties and political subdivisions of the state, not to exceed the amount appropriated by the Legislature.

Purpose of Fund: To provide funding for the administrative expenses associated with managing LGIP. Laws 2019, Chapter 154 repealed the fund, effective August 27, 2019. The fund was repealed because the monies were deposited into the Operations Fund.

Funds Expended	295,600	0
Year-End Fund Balance	342,300	0