

# 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 2020 Legislative Session, the state statutorily created 4 new funds, deleted 2 funds and made no change in the appropriated status of any fund.

A detailed summary of the funds follows:

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## SUMMARY OF FUNDS BY AGENCY

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### New Funds

#### Arizona Health Care Cost Containment System

##### **Children's Behavioral Health Services Fund** (HCA2735/A.R.S. § 36-3436)

**Appropriated Status:** Non-Appropriated

**Source of Revenue:** Includes monies appropriated to the fund, gifts or donations to the fund, and any interest earned.

**Purpose of Fund:** To provide behavioral health services for uninsured or underinsured non-Medicaid children. Expenditures are not displayed to avoid double counting the General Fund.

**Funds Expended:** Laws 2020, Chapter 8 appropriated \$8.0 million from the General Fund to the CBHSF.

##### **Health Care Investment Fund** (HCA2588/A.R.S. § 36-2999.73)

**Appropriated Status:** Expenditure Authority

**Source of Revenue:** An assessment on hospital revenues, discharges, or beds days in addition to the Hospital Assessment established by A.R.S. § 36-2901.09, interest earnings, and legislative appropriations.

**Purpose of Fund:** To increase the base reimbursement level for hospital services, to increase dental and physician fee schedules, and to cover related administrative expenses incurred by AHCCCS.

**Funds Expended:** The fund is expected to generate approximately \$1.1 billion in additional funding for AHCCCS, including federal drawdown of funds.

#### Governor, Office of the

##### **Crisis Contingency and Safety Net Fund** (GVA3240/A.R.S. § 41-110)

**Appropriated Status:** Non-Appropriated

**Source of Revenue:** Legislative appropriations, public or private gifts, grants and donations.

**Purpose of Fund:** Monies in the fund may only be distributed 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. Expenditures are not displayed to avoid double counting the General Fund.

**Funds Expended:** Laws 2020, Chapter 56 appropriated \$50.0 million from the General Fund to the CCSNF.

#### Treasurer, State

##### **State Treasurer's Financial Literacy Fund** (TRA9999/A.R.S. § 41-175)

**Appropriated Status:** Non-Appropriated

**Source of Revenue:** Legislative appropriations and contributions from any public or private source.

**Purpose of Fund:** To be used by the State Treasurer to promote financial literacy in this state.

**Funds Expended:** No estimate is yet available.

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SUMMARY OF FUNDS BY AGENCY

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**Deleted Funds**

Gaming, Department of

**Rural County Fair Racing Fund (GMA2558/A.R.S. § 36-1947)**

**Appropriated Status:** Non-Appropriated

**Source of Revenue:** Laws 2018, Chapter 318 transferred \$200,000 from the Racing Regulation Fund to the Rural County Fair Racing Fund in FY 2019 to fund a matching grant pilot program. Chapter 318 repealed the Rural County Fair Racing Fund and the matching grant pilot program on June 30, 2020.

**Purpose of Fund:** Provided matching grants of up to \$40,000 to support county fair horse racing. To be eligible for the grant counties must have had a population of less than 800,000 and contribute at least 50% in matching grant funding at the time of application.

**Funds Expended:** There have been no recent expenditures from the fund.

Health Services, Department of

**Interagency Service Agreement for Behavioral Health Services Fund (HSA4502 / A.R.S. § 36-108.1)**

**Appropriated Status:** Expenditure Authority

**Source of Revenue:** Federal monies from the Centers for Medicare and Medicaid Services.

**Purpose of Fund:** To provide behavioral health services to Medicaid-eligible individuals. This fund was transferred from DHS to AHCCCS on July 1, 2016 pursuant to Laws 2015, Chapter 19 and 195, and is included in the AHCCCS Federal Medicaid Authority. Laws 2015, Chapter 122 requires monies remaining in the fund on July 1 of fiscal years 2018, 2019, and 2020 be transferred to the state General Fund. The transfer amount may be adjusted for reported but unpaid claims and estimated incurred but unreported claims prior to June 30, 2016. The FY 2018 General Appropriations Act transferred \$35,000,000 from the fund to the state General Fund in FY 2017. The fund was repealed August 31, 2020.

**Funds Expended:** There have been no recent expenditures from the fund.