

## JLBC Summary of FY 2027 Agency Operating Budget Requests

	<u>Page</u>
Accountancy, Arizona State Board of .....	NR
Acupuncture Board of Examiners .....	N/A
Administration, Arizona Department of .....	4
Administration – School Facilities Division, Arizona Department of.....	5
Administrative Hearings, Office of.....	NR
Agriculture, Arizona Department of .....	6
AHCCCS .....	7
Arts, Arizona Commission on the.....	9
Athletic Training, Board of.....	N/A
Attorney General – Department of Law .....	10
Barbering and Cosmetology Board.....	11
Behavioral Health Examiners, Board of .....	NR
Charter Schools, State Board for .....	NR
Child Safety, Department of .....	12
Chiropractic Examiners, State Board of .....	13
Citizens Clean Elections Commission.....	N/A
Commerce Authority, Arizona .....	14
Community Colleges, Arizona .....	15
Constable Ethics Standards and Training Board .....	NR
Contractors, Registrar of.....	NR
Corporation Commission .....	16
Corrections, State Department of.....	17
Criminal Justice Commission, Arizona .....	NR
Deaf and the Blind, Arizona State Schools for the .....	NR
Deaf and the Hard of Hearing, Commission for the.....	NR
Dental Examiners, State Board of .....	18
Early Childhood Development & Health Board, AZ .....	N/A
Economic Opportunity, Office of .....	19
Economic Security, Department of.....	20
Education, State Board of .....	22
Education, Department of .....	23
Emergency and Military Affairs, Department of.....	24
Environmental Quality, Department of .....	25

	<u>Page</u>
Equal Opportunity, Governor's Office of .....	N/A
Equalization, State Board of.....	26
Executive Clemency, Board of .....	27
Exposition and State Fair Board, Arizona.....	28
Forestry and Fire Management, Arizona Department of .....	29
Game and Fish Department, Arizona.....	NR
Gaming, Department of .....	30
Health Services, Department of.....	31
Historical Society, Arizona .....	32
Historical Society of Arizona, Prescott .....	33
Homeland Security, Arizona Department of.....	34
Homeopathic and Integrated Medicine Examiners, Bd. of.....	N/A
Housing, Arizona Department of .....	35
Industrial Commission of Arizona .....	36
Insurance and Financial Institutions, Department of .....	37
Judiciary .....	38
Juvenile Corrections, Department of .....	41
Land Department, State.....	42
Liquor Licenses and Control, Department of.....	43
Lottery Commission, Arizona State.....	44
Massage Therapy, Board of .....	NR
Medical Board, Arizona.....	45
Mine Inspector, State.....	NR
Natural Resource Conservation Board, State .....	46
Naturopathic Physicians Medical Board .....	47
Navigable Stream Adjudication Commission, Arizona.....	NR
Nursing, State Board of.....	48
Nursing Care Institution Administrators and Assisted Living Facility Managers, Board of Examiners of.....	NR
Occupational Therapy Examiners, Board of.....	N/A
Opticians, State Board of Dispensing.....	49
Optometry, State Board of .....	NR
Osteopathic Examiners in Medicine and Surgery, Arizona Board of .....	50
Parks Board, Arizona State.....	51
Personnel Board, State .....	NR
Pharmacy, Arizona State Board of .....	52

	<u>Page</u>
Physical Therapy, Board of.....	NR
Pioneers' Home, Arizona.....	53
Podiatry Examiners, State Board of .....	54
Power Authority, Arizona.....	NR
Private Postsecondary Education, State Board for .....	55
Psychologist Examiners, State Board of.....	NR
Public Safety, Department of.....	56
Real Estate Department, State.....	57
Residential Utility Consumer Office .....	58
Respiratory Care Examiners, Board of .....	NR
Retirement System, Arizona State .....	NR
Revenue, Department of .....	59
Secretary of State, Department of State.....	60
Tax Appeals, State Board of .....	NR
Technical Registration, State Board of.....	61
Tourism, Office of .....	62
Transportation, Department of .....	63
Treasurer, State .....	65
Tribal Relations, Governor's Office on .....	N/A
Universities .....	66
Veterans' Services, Department of .....	67
Veterinary Medical Examining Board, Arizona State .....	68
Water Infrastructure Finance Authority .....	69
Water Resources, Department of .....	70

N/A = Request not available

NR = Agency not requesting additional funding

## Department of Administration

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing funding and 14 FTE Positions for AZ360, the state's financial and personnel system	12,723,300	0
(4) Increase Risk Management Revolving claims and other expenses.	0	11,880,000
(5) Remove one-time funding for AZ360 transition funding.	0	(1,911,800)
(6) Remove one-time funding for health care interoperability grants.	(1,000,000)	0
(7) Remove one-time funding for a state employee professional development pilot program.	0	(1,000,000)
(8) Remove one-time funding for a state employee childcare study.	0	(100,000)
(9) Remove one-time funding for a law enforcement records management system.	(2,708,500)	(500,000)
(10) Remove one-time funding for fire incident management system grants.	(2,291,600)	0
(11) Remove one-time funding for a deposit into the Erroneous Convictions fund.	(3,000,000)	0
(12) Remove one-time funding for tribal health care grants.	(3,000,000)	0
Total FY 27 Budget Request	\$ 723,200	\$ 8,368,200
<u>Statewide Issue</u>		
(2) Fund a state Health Insurance Trust Fund (HITF) subsidy of \$237 m General Fund and \$515 m Total Funds. In FY 26, the one-time subsidy was \$195 m General Fund and \$423 m Total Funds. ADOA only submitted a Total Funds number. JLBC Staff has calculated the General Fund share.	237,000,000	278,000,000
(3) Adjust Statewide IT rate charges to match actual use	TBD	
<u>FY 26 Supplementals</u>		
	2,018,700	-
Fund estimated Federal Financial Participation (FFP) repayments based on disallowed costs calculation.		

## Arizona Department of Administration - School Facilities Division

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Continue one-time funding for Building Renewal Grants. Request includes a placeholder pending ongoing litigation. FY 26 funding for this item was \$183.3 million.	0	0
(2) Fund New School Facilities construction projects planned to begin in FY 27 as part of the Division's December 2024 Capital Plan.	105,545,400	0
• Buckeye Union 9-12: \$125.4 million total cost. FY 27 = \$62.7 million 50% of Cost (See Land Below)		
• Buckeye Union 9-12 Land: \$7.6 million cost, entirely funded in FY 27		
• Marana 9-12: \$26.2 million total cost. FY 27 = \$13.1 million 50% of cost (No Land Cost)		
• Queen Creek K-6: \$23.0 million total cost. FY 27 = \$11.5 million 50% of cost (No Land Cost)		
• Somerton K-6: \$15.4 million total cost. FY 27 = \$7.7 million 50% of cost (See Land Below)		
• Somerton K-6 Land Donation: \$320,000 cost, entirely funded in FY 27		
• Agua Fria Site Conditions: \$1.8 million cost, entirely funded in FY 27		
• Site Conditions - Demolition: \$783,600 cost, entirely funded in FY 27		
• Final list of FY 27 projects will be approved by ADOA-SFD on or before December 15, 2025.		
(3) Fund the second year of New School Facilities construction projects approved to begin in the FY 26 budget. This FY 27 amount has already been appropriated to SFD.	94,137,900	0
(4) Remove one-time funding (Building Renewal Grants and New School Facilities Funding).	(323,974,800)	0
Total FY 27 Budget Request	\$ (124,291,500)	\$ -

## Arizona Department of Agriculture

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) First year of operational costs (includes maintenance and license costs) of new modern licensing system. Projected costs of \$519,800 in FY 28 and \$545,800 in FY 29	495,000	0
(2) Adjust operating budget for rent and utility Increases for the leased space housing the State Agricultural Lab	125,000	0
(3) Hire new IT Staff (2 FTE) to support users and security needs	214,100	0
(4) Continue food safety training program (1 FTE) for fresh produce industry	101,000	0
(5) Remove one-time funding for equipment and Agriculture and Water Innovation Fund deposit	(381,100)	(2,000,000)
(6) Increase Nuclear Emergency Management Appropriation	0	5,800
 Total FY 27 Budget Request	 \$ 554,000	 \$ (1,994,200)

## AHCCCS

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>	<u>EA FY 27 Request</u>
<u>Budget Request</u>			
(1) Mainframe replacement - Development (\$86.5 million), 19 FTE (\$3.1 million), and maintenance (\$23.2 million) costs for ongoing project in FY 27.	15,212,900	0	97,538,700
(2) H.R. 1 compliance costs and related administrative increases (320 FTE) for workforce and more frequent eligibility determinations beginning January 1, 2027.	18,782,600	0	52,618,300
(3) Increase funding for external legal services due to projected increase in litigation.	1,375,000	0	1,375,000
(4) Additional ALTCS eligibility staff (70 FTE).	1,394,500	0	3,859,700
(5) Additional provider enrollment specialists to perform enhanced background checks (22 FTE).	467,700	0	1,136,600
(6) 16 FTE for AHCCCS' Medical Assistance and Specialty Program unit to assist with higher call volume and processing of member applications.	302,100	0	827,000
(7) Backfill federal funding for the Arizona - Perinatal Access Line, which assists medical providers in caring for pregnant and postpartum women with behavioral health conditions.	1,228,500	0	0
(10) 6 FTE for the Arizona Advisory Council on Indian Health Care to backfill loss of health education grant funding that expired in FY 25.	336,900	0	336,900
(21) <u>Traditional</u> : Assumes 0.9% enrollment growth, 4.0% capitation rate growth, FFY 27 FMAP of 64.18%, and removal of one-time Prescription Drug Rebate Fund monies.	316,102,100	(50,000,000)	(239,727,700)
(22) <u>Proposition 204</u> : Assumes 3.0% enrollment growth, 4.0% capitation rate growth, and FFY 27 FMAP of 64.18% for Prop 204 Other and 90.00% for Prop 204 Childless Adults.	36,524,600	0	942,277,100
(23) <u>Adult Expansion</u> : Assumes 0.9% enrollment growth, 4.0% capitation rate growth, and FFY 27 FMAP of 90.00%.	1,458,700	0	129,128,900
(24) <u>DCS Comprehensive Health Plan</u> : Assumes (0.4)% enrollment decline, 4.0% capitation rate growth, and FFY 27 FMAP of 64.18%.	65,900	0	3,941,500
(25) <u>KidsCare</u> : Assumes 4.1% enrollment growth, 4.0% capitation rate growth, and FFY 27 FMAP of 74.93%.	(2,075,600)	1,336,200	(3,612,000)
(26) <u>ALTCS</u> : Assumes 4.3% enrollment growth, 4.0% capitation rate growth, and FFY 27 FMAP of 64.18%.	33,170,100	0	217,489,400
(31) FMAP adjustment for Disproportionate Share Hospitals and funding adjustment for DSH Voluntary program.	1,400	0	(100,068,500)
(33) Increase Graduate Medical Education (GME) payments based on projected hospital participation.	0	0	40,618,500
(34) FMAP adjustment for Critical Access Hospital (CAH) payments.	26,300	0	(26,300)
(35) Reduce Targeted Investments funding.	0	0	(11,000,000)
(41) Increase crisis services funding to address higher non-Medicaid caseloads.	10,500,000	0	0

	<b>General Fund FY 27 Request</b>	<b>Other Fund FY 27 Request</b>	<b>EA FY 27 Request</b>
(42) 10 FTE and ongoing state match for the Housing and Health Opportunities program (currently funded by the SMI Housing Trust Fund), along with corresponding EA increase.	5,492,600	0	44,358,400
(61) Remove one-time funding for external legal services, eligibility income verification, secure behavioral health residential facility construction, GME payments, and CAH payments.	(10,500,000)	(3,175,000)	(18,465,700)
Total FY 27 Budget Request	\$ 429,866,300	(51,838,800)	\$ 1,162,605,800
<u>FY 26 Supplementals</u>			
H.R. 1 compliance costs and related administrative increases (320 FTE). See above.	10,973,300	0	42,996,400



## Arizona Commission on the Arts

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing operating lump sum appropriation	1,500,000	0
(2) One-time funding to maintain current grantmaking levels	2,000,000	0
(3) One-time appropriation to match existing federal and private funding for the creation of a state arts and health plan	250,000	0
(4) One-time appropriation for a tribal cultural investment program	250,000	0
(5) Remove one-time funding for an Arts Trust Fund Deposit	(2,000,000)	0
Total FY 27 Budget Request	\$ 2,000,000	\$ -

## Attorney General - Department of Law

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Increase attorney, special agent, and legal staff base salaries by 5% on an ongoing basis.	1,088,800	2,307,000
(2) Add 3 assistant attorneys general, 2 legal assistants, 2 legal secretaries, and 2 special agents (total 9 FTE) to expand capacity for fentanyl prosecution on an ongoing basis.	1,696,800	0
(3) Add 2 assistant attorneys general, 1 senior legal assistant, 1 legal secretary, 1 advocacy specialist, 1 agent supervisor, and 4 special agents to establish a Human Trafficking Task Force on an ongoing basis.	2,343,000	0
(4) Increase funding for the Civil Rights Division to backfill federal funding and to add 1 mediator and 1 investigator on an ongoing basis.	1,455,800	0
(5) Establish ongoing funding for expert witness fees and other litigation expenses.	0	2,000,000
(6) Add 1 assistant attorney general on an ongoing basis to expand capacity of debt collection enforcement on behalf of state agencies.	0	199,100
(7) Remove one-time funding for Coordinated Reentry Planning Services Grants.	0	(10,000,000)
Total FY 27 Budget Request	\$ 6,584,400	\$ (5,493,900)

## Barbering and Cosmetology Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Add quality assurance specialist (1 FTE) to implement quality assurance standards and a secondary review process for applicants per an Auditor General recommendation	0	101,000
(2) Add customer service representative (1 FTE) to address 11% increase- in incoming phone calls and reduce wait times from 25 to 10 minutes	0	64,700
	0	74,900
(3) Add licensing specialist (1 FTE) to reduce backlog and processing time for renewal submissions		
Total FY 27 Budget Request	\$ -	\$ 240,600

## Department of Child Safety

	<u>General Fund FY 27 Request</u>	<u>EA FY 27 Request</u>
<u>Budget Request</u>		
(1) Congregate care cost increase due to reductions in federal reimbursement and higher DD placement rates; makes one-time FY 26 monies ongoing	24,765,000	0
(2) Funding to support increased operating costs associated with the Guardian data system; makes one-time FY 26 monies ongoing	9,823,000	6,149,300
(3) Extended foster care caseload growth - assumes annual caseload increase of 11% and placement cost increase of 9% for transitional housing	1,018,100	1,055,100
(4) Funding to support the extended foster care coaching program; makes one-time FY 26 monies ongoing	8,196,200	2,545,900
(5) Increased funding for support services contracts, including qualified residential treatment plan placements and behavioral health placements; cost unknown	0	0
(6) 5% salary increases for Attorney General Protective Services Section	1,442,100	0
Total FY 27 Budget Request	\$ 45,244,400	9,750,300
<u>FY 26 Supplementals</u>		
5% salary increases for Attorney General Protective Services Section	1,442,100	0

## State Board of Chiropractic Examiners

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire temporary staff and implement software upgrades to address a backlog of complaints and resolve future complaints more quickly; \$74,000 one-time	0	101,500
(2) Contract for guidance on updating policies and procedures for reviewing sexual and other criminal misconduct; \$4,000 one-time	0	27,500
(3) Contract with vendors to improve stakeholder engagement, transparency, and public outreach; \$2,000 one-time	0	26,500
(4) Provide a 10% ongoing salary increase to all board staff	0	50,200
(5) Align operating budget with current costs for which the board contracts with the Attorney General, ADOA, and other vendors.	0	13,200
Total FY 27 Budget Request	\$ -	\$ 218,900

## Arizona Commerce Authority

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time Arizona Competes Fund deposit	50,000,000	0
(2) Increase ongoing Arizona Competes Fund appropriation from \$500,000 to \$11.5 million	11,000,000	0
(3) Ongoing Major Events Fund deposit	7,500,000	0
(4) Increase ongoing funding for the Economic Development Marketing and Attraction line item from \$500,000 to \$5.0 million	4,500,000	0
(5) One-time funding for a workforce training program. The program would be similar to the state's prior Job Training program, by providing reimbursement directly to companies.	15,000,000	0
(6) Establish an ongoing supply chain assistance program for small-sized manufacturers	1,500,000	0
Total FY 27 Budget Request	\$ 89,500,000	\$ -

## Arizona Community Colleges

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Operating state aid increase for rural districts. Unaudited rural FTSE counts increased by 1,409, or 5.6%.	685,700	0
(2) Restore Maricopa and Pima operating state aid; amount determined by applying per student funding for rural districts to Maricopa and Pima unaudited FTSE counts (71,651). \$28.4 million for Maricopa, \$6.4 million for Pima.	34,729,300	0
(3) Equalization Aid. Assumes 5.86% NAV growth.	3,859,100	0
(4) STEM and Workforce Programs Aid. Unaudited total FTSE count increased by 4,619, or 4.9%. Includes Maricopa, Pima, and Pinal.	756,200	0
(5) Allied Health Programs Funding	10,000,000	0
(6) Expansion of Workforce Development Programs	10,000,000	0
(7) Community College Promise Program Funding	10,000,000	0
Total FY 27 Budget Request	\$ 70,030,300	\$ -

## Corporation Commission

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) Increase ongoing railroad safety funding to \$1.6 million	825,000	0
(2) Federal energy policymaking engagement	0	182,000
(3) eCorp operating costs (amount TBD)	0	0
Total FY 27 Budget Request	\$ 825,000	\$ 182,000



## Arizona Department of Corrections

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) 4% salary increase for all ADC employees	27,283,300	0
(2) Funding for statewide security infrastructure, including enhanced Wi-Fi, security cameras, network equipment, body cameras, and tasers (\$20,070,900 one-time)	35,234,700	0
(3) Restore injunction-related staffing (23 FTE) and other inmate health care injunction costs appropriated one-time in the FY 25 budget	9,488,900	0
(4) Increase agency operating budget to pay for increased utilities, fuel, wastewater treatment, rent, and other costs (\$300,000 one-time)	6,455,500	0
(5) Inflationary increase to the Inmate Health Care Contracted Services line item	38,926,400	0
(6) Increase staff uniform allowance from \$720/year to \$1,200/year for 7,215 positions	3,463,200	0
(7) Inflationary increase for private prison, inmate food services, and the correctional cadet food contracts	9,917,600	0
(8) Funding for new equipment and technology (smartboards, computers, tablets for students) for the Correctional Officer Training Academy (\$729,000 one-time)	735,000	0
(9) One-time funding for kitchen equipment replacement	1,535,300	0
(10) One-time funding to replace 1,000 computers	1,340,000	0
(11) Contractual rate increase from community colleges that provide career and technical education programs to inmates	1,665,000	0
(12) Ongoing fund shift from 3 other funds (Corrections Fund, Inmate Store Proceeds Fund, and Prison Construction and Operations Fund) to the General Fund	5,578,000	(5,578,000)
(13) Impact of retirement rate changes (placeholder)	0	0
(14) Remove FY 26 one-time funding assumed in the 3-year budget plan	(30,311,400)	(3,701,200)
Total FY 27 Budget Request	\$111,311,500	\$ (9,279,200)
<u>FY 26 Supplementals</u>		
Inmate health care injunction costs (placeholder)	0	0

## State Board of Dental Examiners

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire new Administrative Assistants III (2 FTE) to aid in complaint resolution	0	152,100
(2) 5% salary increase for Board employees	0	43,100
(3) Consolidate electronic filing systems (one-time)	0	15,000
(4) Vendor contract increases	0	106,500
Total FY 27 Budget Request	\$ -	\$ 316,700

## Office of Economic Opportunity

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time funding for the Adult Workforce Diploma program	2,000,000	0
(2) One-time funding for the Dual Enrollment Student Development program	1,500,000	0
(3) Ongoing funding to support the coordination and oversight of the 10 program lenders that administer loans as part of the Arizona Microbusiness Loan program	80,100	0
Total FY 27 Budget Request	\$ 3,580,100	\$ -

## Department of Economic Security

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>	<u>EA FY 27 Request</u>
<u>Budget Request</u>			
(1a) DD - Medicaid formula costs: 5.0% enrollment growth, 3.0% capitation rate growth, and a 64.18% FMAP.	209,930,000	0	375,200,000
(1b) Case management services for 1,300 DD new clients enrolled in the state-only program.	2,500,000	0	0
(1c) 6% caseload growth in Arizona Early Intervention Program (AZEIP) for children under 3 with developmental delays.	6,100,000	0	0
(1d) DD High Cost High Needs Clients - Continue \$14.8 million one-time funding and add \$3.1 million for estimated growth.	17,900,000	0	0
(2) Backfill federal funding for Adult Protective Services (APS) operations; Shift staff (143 FTE) to General Fund and cover client costs for the APS Care Coordination program.	13,200,000	0	0
(3a) Funding to address H.R. 1 increase of the state's share of Supplemental Nutrition Assistance Program (SNAP) administrative cost from 50% to 75%.	42,400,000	0	0
(3b) Increase SNAP administrative funding to hire additional staff to reduce the agency's payment error rate. Beginning in FY 28, H.R. 1 requires the state to contribute to SNAP benefit costs if its error rate is 6% or higher (currently 10.39%).	26,250,000	0	0
(4) Continue one-time funding to cover costs of current child care provider base rates and 40% quality rates for average monthly caseload of 18,100.	44,900,000	0	0
(5) Information Technology (IT) Projects (52 FTE) - costs for continued use of subscription-based mainframe system, replacement of legacy systems, and a verification portal for DES program	23,881,000	1,453,000	0
(6) Continue one-time funding for the state's share of the administrative costs of SUN Bucks, a federal nutrition assistance program for school-aged children during the summer months.	1,838,000	0	0
(7) Maintain ADC Reentry Services (31 FTE) with reduction of Workforce Innovation and Opportunity Act (WIOA) funding.	3,000,000	0	0
(8) Backfill Victims of Crime Act (VOCA) funding to maintain Sexual Violence Services Fund (SVSF) services.	2,000,000	0	0
(9) Compensation adjustment for child support services and civil/criminal litigation staff (167.4 FTE).	830,600	0	0
(10) Remove one-time funding for child care subsidies, home and community-based services for high-cost DD clients, food/housing assistance, an out-of-school time grant program, and several others.	(137,270,000)	(51,080,500)	0
Total FY 27 Budget Request	\$257,459,600	(49,627,500)	\$ 375,200,000

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>	<u>EA FY 27 Request</u>
<u>FY 26 Supplementals</u>			
LTC DD Growth (\$56.3 million GF); SNAP administrative funding to reduce the agency's payment error rate (\$7.5 million GF); additional staff and training to address H.R. 1 modifications to SNAP work requirements (\$1.8 million GF); funding for the state's share of the administrative costs of a federal nutrition assistance program for school-aged children during the summer months (\$1.6 million GF).	67,169,500	0	103,100,000

## State Board of Education

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Procure a new case management system to track educator disciplinary actions	500,000	0
(2) Increase funding for Attorney General legal services to support Empowerment Scholarship appeals and educator disciplinary actions	200,000	0
(3) Increase salaries for existing FTE Positions and provide ongoing funding for 2 contracted positions	221,200	0
 Total FY 27 Budget Request	 \$ 921,200	 \$ -

## Department of Education

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Increase School Safety Program funding from \$82.0 million to \$262.0 million and add 10 FTE Positions to assist in administration and compliance for the program.	180,000,000	0
(2) Add 12 FTE Positions to expand capacity for Empowerment Scholarship Account purchase reviews as well as funding for contracted staff/services to support program administration.	2,000,600	0
(3) Increase appropriated Accountability and Achievement Testing funding from \$16.9 million to \$23.9 million due to higher cost of state assessment contracts.	7,000,000	0
(4) Increase grants schools for literacy coaches from \$3.1 million to \$5.2 million to backfill federal funding for the Early Literacy program. Includes 1 FTE Position for administration	2,129,800	0
(5) Expand the Early Literacy program to include grants for schools to hire 25 math coaches to assist low-performing schools in grades 3-5. Includes 3 FTE Positions for administration.	3,511,100	0
(6) Increase Teacher Certification funding from \$2.4 million to \$3.9 million to increase capacity and support system maintenance and automation.	1,500,000	0
(7) Backfill federal funding for Project Momentum to fund off-contract teacher time, virtual support, and benchmark assessments. Includes 2 FTE Positions for administration.	8,528,600	0
(8) Expand College Placement Exam Fee Waivers to support additional demand for waivers and reimbursements for AP, CIE, and IB exams.	782,000	0
(9) Increase funding to Arizona English Language Learner Fund to support the implementation of updated Structured English Immersion models and related resources and personnel.	1,100,000	0
(10) Add 3 FTE Positions to support IT functionality, including an applications developer, systems network engineer, and business analyst.	446,400	0
(11) Fund software and hardware costs, including higher maintenance and licensing costs as well as upgrade and replacement costs for outdated resources.	689,900	0
(12) Establish ongoing funding for Arizona Teacher Registered Apprenticeship Program to reduce teacher turnover by providing mentorship and technical instruction.	1,500,000	0
(13) Fund annual fees for access to Arizona Digital Educators Library and dedicate 1 existing FTE Position to maintain the program.	300,000	0
(14) Fund the Office of Indian Education to support the management of tribal grants and the accurate collection of tribal student data. Includes 7 FTE Positions.	2,000,000	0
(15) Fund grants to be distributed through the Native American Code Writers Program.	1,000,000	0
Total FY 27 Budget Request	\$212,488,400	\$ -

## Department of Emergency and Military Affairs

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing funding to support additional grant management staff (5 FTE) within the Division of Emergency Management	499,900	0
(2) Ongoing funding to support additional IT staff (2 FTE) to assist with agencywide IT operations	266,100	0
(3) One-time transfer of \$500,000 from the non-appropriated Governor's Emergency Fund to the Mutual Aid Revolving Fund	0	0
Total FY 27 Budget Request	\$ 766,000	\$ -



## Department of Environmental Quality

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Fund water quality regulatory programs with annual General Fund (GF) deposit to the Water Quality Fee Fund (WQFF) to address revenue shortfall	9,500,000	0
(2) Increase WQFF appropriation to hire additional staff (6 FTE) for the Aquifer Protection Program; funded by annual GF deposit to WQFF	918,100	918,100
(3) Add footnote allowing full expenditure of fee revenues, with a JLBC reporting requirement	0	0
(4) State cost share of Iron King Mine-Humboldt Smelter Superfund site cleanup (ends in FY 29)	2,445,000	0
(5) Implement a data governance plan (1 FTE); future ongoing need of 3 FTE and \$1.0 million	618,300	0
(6) Adjustment for increased cloud computing costs; projected to increase 9% each year	1,035,500	0
(7) Increase WQFF appropriation for Clean Water Act compliance; funded by annual GF deposit	365,800	365,800
8) Identify, remediate, and/or replace cesspools and failed septic systems (1 FTE)	716,300	0
(9) Increase WQFF appropriation for remediation of abandoned mines impacting water systems; funded by annual GF deposit to WQFF	272,300	272,300
(10) Continue funding the Voluntary Vehicle Repair and Retrofit Program on an ongoing basis	0	2,170,200
(11) Fund recycling grants on an ongoing basis (and add authority for 4 FTE); Ongoing as of FY 26	0	2,573,900
(12) One-time smoke management database upgrades to support prescribed burns	0	570,000
(13) Adjust WQFF funding for a compliance unit (3 FTE) and a capacity survey wastewater facilities funded by a GF deposit to WQFF; ongoing cost of \$493,800	1,220,800	1,220,800
(14) Remove BRB provision that notwithstands statute to limit the General Fund transfer to the WQARF Fund to \$15 million; ongoing request based on annual WQARF revenues of \$2.2 million	800,000	0
(15) Align Hazardous Waste Management Fund appropriation with existing revenue and costs	0	201,600
(16) One-time increase to WQFF appropriation in FY 27 and FY 28 to develop permit processing fee rule for public and semi-public pools (0.75 FTE); funded by GF deposit	287,200	287,200
(16) Ongoing Air Quality Fund appropriation to support local emission reduction programs in ozone nonattainment areas (Phoenix-Mesa and Yuma)	0	450,000
(18) Backfill HR1 federal funding reductions for air quality programs on an ongoing basis	3,900,300	3,900,300
(19) Remove one-time funding for WQARF deposit, Superfund site cleanup, WQFF deposit, and air quality support	0	(27,170,000)
Total FY 27 Budget Request	\$ 22,079,600	\$ (14,239,800)

## State Board of Equalization

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Restore FY 2025 operating lump sum reduction to pay for software and IT related costs	30,000	0
Total FY 27 Budget Request	\$ 30,000	\$ -

## Board of Executive Clemency

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Additional hearing room and office space; administrative clerks (2 FTE) to support revocations and commutations casework; \$109,800 one-time for office/hearing room upgrades	391,700	0
(2) Upgrade boardroom technology	60,000	0
Total FY 27 Budget Request	\$ 451,700	\$ -

## Arizona Exposition and State Fair Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Extend lapse date of FY 26 appropriation for enhanced state fair operations and capital projects through FY 27	0	0
Total FY 27 Budget Request	\$ -	\$ -

## Arizona Department of Forestry and Fire Management

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire new fire safety inspectors at the State Fire Marshal's Office (9 FTEs)	1,023,400	0
(2) Continue one-time fire suppression funding. The FY 25 supplemental monies were from the Long-Term Water Augmentation Fund.	27,000,000	0
Total FY 27 Budget Request	\$ 28,023,400	\$ -

## Department of Gaming

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Consolidate Event Wagering Fund, Fantasy Sports Contest Fund, and Unarmed Combat Subaccount of the Racing Regulation Fund into a single fund.	0	0
(2) Increase problem gambling appropriation from \$3.3 million to \$4.3 million, funded from the Arizona Benefits Fund. Create new program coordinator and develop new programs/services.	0	980,000
(3) Allow agency to increase Regulatory Wagering Assessment for federal Horseracing Integrity and Safety Act (HISA) regulations. Since FY 2018, assessment has been limited to 0.5% of total wagers.	0	0
Total FY 27 Budget Request	\$ -	\$ 980,000

## Department of Health Services

General Fund FY 27 Request	Other Fund FY 27 Request
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### Budget Request

(1) 2 FTE and other operational expenses to implement newborn testing of Duchenne Muscular Dystrophy; FY 26 Health BRB added DMD to the state's newborn screening panel	0	754,900
(2) 21.1 FTE for state health lab testing services, previously funded by expiring federal grants	2,173,500	0
(3) Transition remaining licensing programs to the Licensing Division's e-licensing system; \$694,000 one-time	782,000	0
(4) Arizona State Hospital (ASH) operating shortfall and Arizona Community Protection and Treatment Center; continues one-time FY 26 funding	3,328,200	0
(5) 1 FTE and software costs to support public records request process	0	155,900
(6) Heat-related services, including a statewide heat call center, transportation to cooling centers, EMS worker training, cooling center grants, and mobile cooling centers	5,757,100	0
(7) 10 FTE to expand clinical staff at ASH	1,638,700	0
(8) Anticipated cost increases for 3 ASH contracts renewing in FY 27, including pharmacy services, dietary services, and housekeeping (Amount TBD)	0	0
(9) Remove one-time funding for an ASH operating shortfall and various public health initiatives	(8,803,200)	(4,000,000)
 Total FY 27 Budget Request	 \$ 4,876,300	 \$ (3,089,200)

## Arizona Historical Society

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Salary increases for retention and recruitment	310,500	0
(2) Adjust operating budget to align with current spending on deferred maintenance costs and emergency projects	250,000	0
(3) Funding for subscriptions for digital archival management, purchasing updated computer equipment and repairing microfilm processing equipment used to generate revenue	50,000	0
(4) Increase available grant monies for Certified Historical Institutions (CHI) program. 67 local historical organizations are CHIs that are eligible for these small grants	40,000	0
(5) Adjust operating budget to align with utility costs	35,000	0
(6) Purchase 2 vehicles. Replace current rental and add vehicle to support reopening of Pioneer Museum	60,000	0
(7) Contribute to National History Day program costs - supplies, facility rentals for state/regional competitions, and staff travel expenses	15,000	0
(8) Adjust operating budget to align with current in-state travel costs	15,000	0
Total FY 27 Budget Request	\$ 775,500	\$ -



## Prescott Historical Society

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Fill vacant museum exhibit staff position and visitor services position. FTE authority is already appropriated to Prescott Historical Society	167,700	0
(2) Shift \$150,000 of operational costs (utility/maintenance/technology) paid by the non-profit Sharlot Hall Historical Society to the General Fund	150,000	0
Total FY 27 Budget Request	\$ 317,700	\$ -

## Department of Homeland Security

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing funding for the Border Coordination Office, which was previously funded with American Rescue Plan Act monies.	765,000	0
(2) Multi-factor authentication security measures for the state's AZ360 human resources system. Includes \$300,000 for one-time security enhancements.	0	850,000
(3) Ongoing funding for a new Cyber Program Manager (1 FTE) in the department's Cyber Readiness Program.	163,300	0
(4) Ongoing funding to address increased software licensing costs and other related expenses.	0	665,000
(5) Ongoing funding to expand the Statewide Security Operations Center by hiring additional staff (2 FTE) and providing cybersecurity and other services to additional state agencies.	0	3,125,000
Total FY 27 Budget Request	\$ 928,300	\$ 4,640,000

## Department of Housing

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time funding for gap financing of Low-Income Housing Tax Credit (LIHTC) projects to produce an estimated additional 2,000 low-income housing units	15,000,000	0
(2) Ongoing funding for state match portion of federal housing programs	5,000,000	0
Total FY 27 Budget Request	\$ 20,000,000	\$ -

## Industrial Commission of Arizona

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Add 23 FTEs (19 occupational safety and health division, 3 claims division, 1 administration division) for operation functions related to claims processing and the state OSHA plan (\$91,200 one-time).	0	2,130,900
 Total FY 27 Budget Request	 \$ -	 \$ 2,130,900

## Department of Insurance and Financial Institutions

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing appropriation to support 4 new FTE positions in the department's bank examination program, includes \$12,000 for one-time equipment purchases	0	371,300
Total FY 27 Budget Request	\$ -	\$ 371,300

## Judiciary - Court of Appeals

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) 10% staff salary increase (excludes judges)	1,072,500	0
Total FY 27 Budget Request	\$ 1,072,500	\$ -

## Judiciary - Supreme Court

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) 10% staff salary increase (excludes justices)	4,316,600	0
(2) One-time funding to build a unified appellate court case collaboration software system	400,000	0
(3) Increased court security funding to provide enhanced training and resources across courts statewide	0	100,000
(4) Salary increases for Court Appointed Special Advocate and Vulnerable Persons coordinators and support staff located in all 15 counties	0	200,800
(5) Ongoing funding for the Commission on Judicial Conduct's case management software licensing fees and other operating costs	15,000	0
Total FY 27 Budget Request	\$ 4,731,600	\$ 300,800

## Judiciary - Superior Court

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Increase probation line items to pay for state's share of probation funding shortfall resulting from county-approved salary increases	10,460,800	0
(2) 10% staff salary increase (excludes judges)	494,600	0
(3) Increase funding for higher operating costs and inflation costs for statewide court-ordered removal process provided by Maricopa County	77,900	0
Total FY 27 Budget Request	\$ 11,033,300	\$ -



## Department of Juvenile Corrections

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) 4% staff salary increase	757,700	0
Total FY 27 Budget Request	\$ 757,700	\$ 0

## State Land Department

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Provide increased funding to the Minerals Division to efficiently manage applications and leases, and address findings in the Auditor General's Performance Audit/Sunset Review	500,000	0
(2) Increase Central Arizona Project (CAP) user fees to reflect the Central Arizona Water Conservation District's proposed FY 27 rate of \$58 per acre feet of water	56,400	0
Total FY 27 Budget Request	\$ 556,400	\$ -

## Department of Liquor Licenses and Control

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Replace Federal Funding for Underage Drinking Prevention Program	500,000	0
(2) Increase Liquor Licenses Fund end-of-fiscal year balance cap from \$0.7 million to \$1.5 million (GF impact)	800,000	0
Total FY 27 Budget Request	\$ 1,300,000	\$ -

## Arizona State Lottery Commission

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Increase appropriation for Advertising (currently \$15.5 million) to compete with sports betting and casino gaming	0	6,000,000
Total FY 27 Budget Request	\$ -	\$ 6,000,000

## Arizona Medical Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time funding to modernize agency websites for Medical Board and the Board of Physician Assistants; includes costs of migrating websites to the statewide agency platform	0	150,000
(2) Hire 3 FTE (Investigative Aides) to aid in case resolution	0	161,700
Total FY 27 Budget Request	\$ -	\$ 311,700

## Natural Resource Conservation Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Operating funding to support the Board's administrative functions. The agency's current operating funding consists solely of \$100,000 one-time amount allocated in FY 26 budget.	350,000	0
(2) Support for Tribal Soil and Water Conservation Districts.	160,600	0
Total FY 27 Budget Request	\$ 510,600	\$ -

## Naturopathic Physicians Medical Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Remove one-time funding for FY 26 digitization projects	0	(50,000)
Total FY 27 Budget Request	\$ -	\$ (50,000)

## State Board of Nursing

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire Nurse Practice Consultants (12 FTE) to aid in complaint investigation and resolution	0	1,158,200
(2) Hire Advanced Practice Nurse Consultants (5 FTE) to aid in complaint investigation and resolution	0	683,700
(3) Hire Legal Secretaries (5 FTE) to support investigators	0	421,400
(4) Hire Senior Investigators (6 FTE) to aid in complaint investigation and resolution	0	367,300
(5) One-time purchase of 20 laptops for staff	0	31,500
(6) Upgrade document management software and digitize records held on microfilm and microfiche	0	72,900
Total FY 27 Budget Request	\$ -	\$ 2,735,000



## Board of Dispensing Opticians

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time funding for the retirement transition of the Board's executive director, including an annual leave payout and on-the-job training for the incoming director	0	30,000
Total FY 27 Budget Request	\$ -	\$ 30,000

## Board of Osteopathic Examiners in Medicine and Surgery

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Additional medical investigators (3 FTE) to complete complaint investigations within 180 days; \$7,500 one-time	0	281,600
(2) Additional licensing analysts (2 FTE) to reduce application processing times; \$5,000 one-time	0	163,300
(3) Ongoing funding for interagency service agreements (\$9,000 for Attorney General, \$6,000 for Central Services Bureau, \$6,600 for Arizona Strategic Enterprise Technology)	0	21,600
Total FY 27 Budget Request	\$ -	\$ 466,500

## Arizona State Parks Board

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) 28 FTEs for increased state parks visitation	0	2,265,000
(2) Remove one-time FY 26 funding	(2,500,000)	0
Total FY 27 Budget Request	\$ (2,500,000)	\$ 2,265,000

## Arizona State Board of Pharmacy

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) 10% salary increase for all staff	0	260,000
(2) One-time annual leave and sick leave payout for 2 retiring employees	0	78,900
(3) Ongoing funding for e-licensing system to conduct state, federal, and internal regulatory	0	250,000
Total FY 27 Budget Request	\$ -	\$ 588,900

## Arizona Pioneers' Home

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) ADOA Facility Assessment Report repairs/capital improvements (one-time)	0	700,000
(2) Replace 13 evaporative coolers with HVAC units (one-time)	0	2,000,000
(3) Expand cemetery to the last section of available land (one-time)	0	6,611,000
Total FY 27 Budget Request	\$ -	\$ 9,311,000

## Board of Podiatry Examiners

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Offset increased Central Services Bureau intergovernmental service agreement costs	0	7,000
Total FY 27 Budget Request	\$ -	\$ 7,000

## Board for Private Postsecondary Education

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Funding to expedite an existing record digitization project; one-time in FY 27 and FY 28	0	100,000
Total FY 27 Budget Request	\$ -	\$ 100,000

## Department of Public Safety

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Vehicle replacement - One-time funding for vehicle replacement which would replace 276 vehicles (187 sworn and 89 civilian)	0	20,990,400
(2) Motor vehicle fuel inflation funding - Ongoing funding in the Motor Vehicle Fuel line item to cover increased costs in gas for the DPS fleet	533,700	0
(3) Aviation relocation rent - Ongoing funding to cover costs of new leased space at Falcon Field in Mesa for department aircraft	0	244,300
(4) Relocation and redaction staff - Ongoing funding for additional administrative assistant positions (10 FTE) to process increased public records requests (\$115,000 one-time)	0	941,800
(5) Aviation maintenance - One-time funding to cover regularly scheduled and preventative maintenance of 2 helicopters and 2 fixed-wing aircraft	0	2,079,200
(6) Wellness program - Ongoing funding for wellness program coordinator, wellness coaches, and victim service coordinators (5 FTE) to provide stress and trauma assistance for troopers (\$57,500 one-time)	0	1,595,300
(7) Major Incident Division (MID) - Ongoing funding increase in the MID line item, would bring funding to a total of \$24 million	0	8,500,000
(8) Fatal collision overtime costs - Ongoing funding for sworn trooper overtime costs for enforcement details targeting dangerous and illegal driving that causes serious injury and fatal collisions	0	2,000,000
(9) Fund shift - Ongoing fund shift of \$2,046,400 from the Fingerprint Clearance Card Fund to the Arizona Highway Patrol Fund	0	0
(10) AZPOST Funding - Ongoing funding to cover AZPOST shortfall in operating expenses, academy reimbursements, and Attorney General costs	2,045,000	0
(11) Remove FY 26 one-time funding assumed in the 3-year budget plan	(18,173,500)	(1,993,000)
 Total FY 27 Budget Request	 \$ (15,594,800)	 \$ 34,358,000



## Department of Real Estate

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing appropriation for licensing costs associated with a new IT system for processing license applications/renewals and complaints	869,600	0
Total FY 27 Budget Request	\$ 869,600	\$ -

## Residential Utility Consumer Office

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) One-time consultant support for open utility rate cases	0	150,000
Total FY 27 Budget Request	\$ -	\$ 150,000

## Department of Revenue

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Migrate to cloud hosting from multi-agency mainframe. Request is one-time costs, \$351,500 ongoing costs in FY 28. By 12/31/28, DOR would be sole mainframe user (\$1.0 million/month cost).	1,425,000	0
 Total FY 27 Budget Request	 \$ 1,425,000	 \$ -

## Department of State - Secretary of State

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing costs of cybersecurity/IT modernization: campaign finance system \$750,000; election management & election night reporting system \$750,000; cloud hosting \$200,000; cybersecurity \$1.0 million; and \$1.1 million for IT staff (7 FTE).	3,771,000	0
(2) Fund Election Services line item in FY 27 at \$8.0 million for 2026 primary and general elections	8,000,000	0
(3) Funding to support counties for 2026 elections: temporary staff, cybersecurity & emergency planning assistance; county staffing support; ballot tracking/notification; and Electronic Registration Information Center (ERIC) membership for voter registration list maintenance	750,000	0
(4) Fund all voter-registration database (AVID) annual costs from the General Fund. Counties/state currently split costs 50/50. State share currently paid by federal HAVA monies	2,000,000	0
(5) Hire vendor to serve as project manager for development of a new AVID system by FY 29 and initiate Request For Information (RFI). Funding proposed as non-lapsing appropriation.	750,000	0
(6) Amend statutes to shift deposit of SOS-generated fees from General Fund to SOS's Data Processing Acquisition Fund to support the Business Services division's operational costs and IT modernization	1,700,000	0
(7) Personal security for the Secretary of State	350,000	0
(8) Ongoing support for Address Confidentiality Program. Continues one-time \$400,000 deposit in FY 26 budget	400,000	0
(9) Backfill state library's federal funding that supports 12 staff positions and grants to local libraries	3,000,000	0
(10) Funding for conflict counsel in accordance with budget footnote specifying when SOS may retain counsel	750,000	0
 Total FY 27 Budget Request	 \$ 21,471,000	 \$ -
<u>FY 26 Supplementals</u>		
(1) One-time costs to update cybersecurity and IT systems: commercial off-the-shelf (COTS) campaign finance system \$2.5 million; election management and election night reporting COTS system \$3.0 million; cloud migration \$350,000; IT/Security \$2.5 million; permanent IT staff (7 FTE) \$1.1 million	9,421,000	0
2) Fund 2026 primary and general elections costs occurring in FY 26: immediate cybersecurity updates; election-specific programming of election systems; signature validation for candidate petitions (4/6/26 submission deadline) and ballot measures (7/2/26 submission deadline); voting machine logic and accuracy testing in June of FY 26	675,000	0

## Board of Technical Registration

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) \$160,000 for renewal costs of new e-licensing system operational and \$60,000 for additional development costs	0	220,000
(2) Update the land surveyor examination. One-time	0	75,000
(3) Funding to fill vacant licensing specialist (\$60,200) position and investigator (\$91,000) position. FTE authority is already appropriated to Board of Technical Registration	0	151,200
(4) Update the geological engineer examination. One-time	0	70,000
Total FY 27 Budget Request	\$ -	\$ 516,200

## Office of Tourism

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) International tourist marketing, includes \$5.0 million for marketing costs and \$302,500 for 3 FTEs	5,302,500	0
 Total FY 27 Budget Request	 \$ 5,302,500	 \$ -

## Arizona Department of Transportation

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Highway Maintenance/Preventive Surface Treatment inflation funding - Ongoing funding to cover a 3.75% inflationary increase in the cost of maintaining highways over the past year	0	5,201,600
(2) Field Office Automated System (FAST) replacement - Fourth year of 5-year plan to replace the FAST IT system which internally manages construction project administration and contracts	0	6,844,600
(3) Maintenance Management System (MMS) replacement - Second year of 3-year plan to replace the MMS IT system which internally manages infrastructure maintenance	0	4,570,600
(4) Highway maintenance, new lane miles - Ongoing funding for 487 new highway lane miles (413 urban miles and 74 rural miles)	0	10,178,500
(5) Highway maintenance, Loop 202 - Ongoing funding for annual increase in developer maintenance costs for Loop 202 South Mountain freeway	0	66,000
(6) Highway maintenance, I-17 flex lanes - Ongoing funding for annual increase in developer maintenance costs of flex lanes along I-17, 4 FTE positions to assist with flex lane changes	0	1,142,000
(7) Driver license volume increase - Ongoing funding for anticipated growth in driver license production and production cost increases	0	386,100
(8) License plate volume increase - Ongoing funding for anticipated cost increases in license plate production	0	137,100
(9) Commercial vehicle permit and routing system - First year of a 2-year plan to replace the commercial vehicle permit IT system used by the Enforcement and Compliance Division (ECD)	0	2,422,500
(10) ADOT software funding - Ongoing funding for increased cost of the ADOT software maintenance budget	0	300,100
(11) ADOT internal fleet maintenance - Ongoing funding in the ADOT Fleet Maintenance line item to cover increased maintenance costs	0	4,436,000
(12) ADOT vehicle replacement funding - Ongoing funding to increase internal fleet vehicle replacement budget from \$22.4 million to \$36.4 million, replaces 4,759 vehicles in a 12-year cycle	0	14,025,000
(13) State Fleet maintenance funding - Ongoing adjustment to cover the maintenance costs of the state fleet	0	(101,100)
(14) State Fleet replacement funding - Adjustment to cover the vehicle replacement costs of the state fleet	0	6,361,300
(15) MVD security upgrade - Year 5 of 5-year plan to upgrade security equipment (alarms, video surveillance) at 5 MVD locations statewide	0	563,100

## Arizona Department of Transportation

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
(16) Cyber security update - Ongoing funding to remediate cyber security vulnerabilities by updating agency code, operating systems, and applications	0	1,392,000
(17) Software Asset Management (SAM) system - Ongoing funding to implement new software in AZ ServiceNow to manage software licenses, cost tracking, renewals, data integration, and inventory	0	1,292,500
(18) Internal Fleet fuel - Ongoing adjustment to cover the cost of fuel for ADOT's internal fleet	0	(93,300)
(19) Payment of invoices - One-time funding to pay 13 invoices for services provided in prior years	0	73,300
(20) Remove FY 26 one-time funding assumed in the 3-year budget plan	(500,000)	(19,636,800)
Total FY 27 Budget Request	\$ (500,000)	\$ 39,561,100



## State Treasurer

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Increased funding for cybersecurity enhancements, including the deployment of new software tools and security cameras (includes \$3,000 one-time)	0	50,300
(2) One-time funding for capital improvements to interior office spaces	0	150,000
(3) Ongoing funding to support additional IT staff (1 FTE)	0	71,200
 Total FY 27 Budget Request	 \$ -	 \$ 271,500

## Universities

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Arizona Medical Professionals Loan Assistance Program (AMPLA) to provide loan assistance for medical professionals who work in Arizona for at least 4 years after graduation	30,000,000	0
(2) Arizona Promise Program	50,000,000	0
(3) Arizona Excellence Scholarship for merit-based scholarships to resident students who are in the top 3% of high school graduates	20,000,000	0
(4) Arizona Future Engineers & Scientists Fund (AFESF) to provide funding for resident students pursuing degrees in high-demand STEM fields	10,000,000	0
(5) AZ Healthy Tomorrow funding to expand healthcare education programs across all 3 universities (\$40 million ASU, \$40 million UA, \$40 million NAU)	120,000,000	0
(6) Water Preparedness funding to expand water research and education programs across all 3 universities (\$15 million ASU, \$15 million NAU, \$25 million UA)	55,000,000	0
(7) Remove one-time funding for ASU and UA	(5,750,000)	0
Total FY 27 Budget Request	\$279,250,000	\$ -

## Department of Veterans' Services

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Ongoing operating costs for staffing, maintenance, and federal compliance at veterans' cemeteries	1,406,900	0
Total FY 27 Budget Request	\$ 1,406,900	\$ -

## Arizona State Veterinary Medical Examining Board

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire a vendor to digitize paper license records	0	16,800
Total FY 27 Budget Request	\$ -	\$ 16,800

## Water Infrastructure Finance Authority

	<u>General Fund FY 27 Request</u>	<u>Other Fund FY 27 Request</u>
<u>Budget Request</u>		
(1) Request no additional reductions to the Long-Term Water Augmentation Fund. Agency is currently reviewing proposals from development teams, who will develop augmentation project options.	0	0
(2) \$25.0 million deposit to the Water Conservation Grant Fund in each of FY 27, FY 28, and FY 29. Estimated demand for 110 additional conservation projects totaling \$100.0 million based on survey.	25,000,000	0
 Total FY 27 Budget Request	 \$ 25,000,000	 \$ -

## Department of Water Resources

	<u>General Fund</u> <u>FY 27 Request</u>	<u>Other Fund</u> <u>FY 27 Request</u>
<u>Budget Request</u>		
(1) Hire initial staff (3 FTE) to support Ag-to-Urban program (Laws 2025, Ch. 252)	300,100	0
(2) Additional technical staff (2 FTE) for rural groundwater regulatory activity	200,100	0
(3) Remove one-time funding for FY 26 Colorado River Litigation Fund Deposit	(1,000,000)	0
 Total FY 27 Budget Request	 \$ (499,800)	 \$ -