

**House Budget Bills
As Introduced**

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Prepared by JLBC Staff
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GENERAL FUND BUDGET 4-YEAR ANALYSIS

(\$ in Millions)

	A	C	E	G
	FY 2022 4/18	FY 2023 4/18	FY 2024 4/18	FY 2025 4/18
1 Beginning Balance	\$ 894.6	\$ 2,268.0	\$ -	\$ -
2 Ongoing Revenues				
3 Ongoing Revenues - January Baseline (Maximum Commitment Scenario)	14,650.5	13,794.4	14,078.6	14,648.3
4 Subtotal - Ongoing Revenues	\$ 14,650.5	\$ 13,794.4	\$ 14,078.6	\$ 14,648.3
5 One-Time Revenues/Transfers				
6 Water Infrastructure Repayment - Transfer to General Fund	20.0			
7 Subtotal - One-Time Revenues (Including Beginning Balance)	\$ 914.6	\$ 2,268.0	\$ -	\$ -
8 Total Revenues	\$ 15,565.1	\$ 16,062.4	\$ 14,078.6	\$ 14,648.3
9 JLBC Baseline - Ongoing Spending	\$ 12,128.8	\$ 12,539.4	\$ 13,043.4	\$ 13,519.2
10 Ongoing Changes to JLBC Baseline				
11 ADOA/SFD - Building Renewal (\$200 M Total)		183.3	183.3	183.3
12 AHCCCS - Formula/Federal Match Change		65.3	69.8	94.7
13 AHCCCS - Federal IT Regulation Compliance (\$75k Ongoing/\$195k One-Time)		0.3	0.1	0.1
14 Charter Board - Ongoing Costs From '22 IT Upgrade		0.2	0.2	0.2
15 DCS - Federal Match Change			7.5	10.0
16 Commerce - Continue Germany Trade Office Funding (\$250k, Funded One-Time in '22)		0.3	0.3	0.3
17 Comm Colleges - Formula			(3.2)	(5.1)
18 DES - Formula/Federal Match Change		15.9	25.2	36.4
19 ADE - Formula		(3.8)	(31.4)	(28.9)
20 DEMA - Reimburse Federal Government for Facilities Maintenance Overpayment		0.8	0.8	0.8
21 DEMA - Fully Fund State Match for Readiness Center Maintenance (25% to 50%)		1.7	1.7	1.7
22 Forestry - Healthy Forest New Vehicle Purchases		(0.3)		
23 Forestry - Healthy Forest Annual State Fleet Operation Charge		(0.9)	(0.9)	(0.9)
24 Land - CAP Fees (Footnote)		0.2	0.2	0.2
25 Other - Continue State Employer Health Insurance Funding		32.1	32.1	32.1
26 Other - Statewide AFIS Charge		(0.2)	(0.2)	0.1
27 Other - Rent Adjustments		(0.7)	(0.7)	(0.7)
28 Other - Administrative Adjustment/Reversion Estimates	(103.0)	(45.0)	(5.0)	(3.5)
29 Subtotal - Ongoing Changes to JLBC Baseline	\$ (103.0)	\$ 249.2	\$ 279.8	\$ 320.8
30 Total Ongoing Spending	\$ 12,025.8	\$ 12,788.6	\$ 13,323.2	\$ 13,840.0
31 JLBC Baseline - One-Time Spending	\$ 394.0	\$ 186.2	\$ 48.7	\$ 76.7
32 One-Time Changes to JLBC Baseline				
33 ADOA/SFD - Building Renewal (\$200 M Total)	93.1			
34 AHCCCS/DES/DCS - '22 FMAP Reversion	(133.0)			

GENERAL FUND BUDGET 4-YEAR ANALYSIS

(\$ in Millions)

	A	C	E	G
	FY 2022 4/18	FY 2023 4/18	FY 2024 4/18	FY 2025 4/18
35 ADE - FY 22 Enrollment Reversion	(21.9)			
36 Capital - DEMA - Tucson Readiness Center Construction Cost Increases (\$24M in '19)		1.8		
37 Subtotal - One-Time Changes to JLBC Baseline	\$ (61.8)	\$ 1.8	\$ -	\$ -
38 Total One-Time Spending	\$ 332.2	\$ 188.0	\$ 48.7	\$ 76.7
39 Total Spending	\$ 12,358.0	\$ 12,976.6	\$ 13,371.9	\$ 13,916.7
40 Prop 208 Reserve (JLBC Baseline = Set Aside \$939 M in FY 22)	\$ 939.1			
41 Cash Balance	\$ 2,268.0	\$ 3,085.8	\$ 706.7	\$ 731.6

**STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
WITH ONE-TIME FINANCING SOURCES 1/**

	FY 2022 4/18	FY 2023 4/18	FY 2024 4/18	FY 2025 4/18
REVENUES				
Ongoing Revenues	\$16,162,949,700	\$16,660,894,900	\$17,427,457,900	\$18,239,954,600
Enacted Tax Reductions	(\$51,020,000)	(\$1,316,346,000)	(\$1,692,252,900)	(\$2,467,493,600)
Urban Revenue Sharing	(\$756,388,300)	(\$1,106,958,600)	(\$1,249,800,300)	(\$1,124,161,200)
Net Ongoing Revenues	\$15,355,541,400	\$14,237,590,300	\$14,485,404,700	\$14,648,299,800
One-Time Revenues				
Balance Forward	\$894,636,000	\$2,268,016,600		
Enacted Tax Reductions	(\$704,978,100)	(\$443,200,500)	(\$406,778,100)	
Water Infrastructure Repayment	\$20,000,000			
Subtotal One-Time Revenues	\$209,657,900	\$1,824,816,100	(\$406,778,100)	
Total Revenues	\$15,565,199,300	\$16,062,406,400	\$14,078,626,600	\$14,648,299,800
EXPENDITURES				
Ongoing Operating Appropriations	\$12,053,812,800	\$12,833,694,000	\$13,368,217,300	\$13,884,698,900
Administrative Adjustments	\$175,000,000	\$158,000,000	\$158,000,000	\$158,000,000
Revertments	(\$203,000,000)	(\$203,000,000)	(\$203,000,000)	(\$203,000,000)
Subtotal Ongoing Expenditures	\$12,025,812,800	\$12,788,694,000	\$13,323,217,300	\$13,839,698,900
One-Time Expenditures				
Capital Outlay	\$92,632,900	\$1,800,000		
Reduce K-12 Rollover	\$65,000,000			
Operating One-Time Spending	\$654,235,900	\$186,227,300	\$48,677,100	\$76,726,900
New FY 2022 Supplementals	\$93,117,000			
New Medicaid Federal Match Reversion <u>2/</u>	(\$285,844,400)			
New ADE Formula Funding Reversion <u>2/</u>	(\$306,900,000)			
University 27th Pay Period	\$20,052,100			
Subtotal One-Time Expenditures	\$332,293,500	\$188,027,300	\$48,677,100	\$76,726,900
Total Expenditures	\$12,358,106,300	\$12,976,721,300	\$13,371,894,400	\$13,916,425,800
Proposition 208 Reserve <u>3/</u>	\$939,076,400			
Ending Balance <u>4/</u>	\$2,268,016,600	\$3,085,685,100	\$706,732,200	\$731,874,000

1/ Uses the same revenue assumptions as the January JLBC Baseline.

2/ Reflects revertments of savings for a higher federal Medicaid match rate and lower K12 formula costs.

3/ Reflects Proposition 208 uncertainty. If surcharge upheld, revenue would be transferred to Proposition 208 fund. If surcharge not upheld, state would refund revenue.

4/ Reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.

5/ The FY 2023 cash balance is presumed to be allocated as part of the FY 2023 budget process. Of the FY 2023 cash balance, \$703 million is available for ongoing uses, \$2.3 billion is available for one-time uses, with the remaining amount allocated for a cash balance reserve.

DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

	FY 2022 GF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
OPERATING SPENDING CHANGES				
DOA - Arizona Department of Administration				
	18,255,000			28,155,000
1	DOA - Remove One-Time Permitting Dashboard Funding		(100,000)	
2	DOA - Increase K-12 Transportation Grants (\$10 M to \$20 M)		10,000,000	
APF - Automation Projects Fund/ADOA				
	3,614,100			1,500,000
4	APF - Charter Schools - IT Platform Modernization (\$3 M to \$1.5 M)		(1,500,000)	
5	APF - ADOA - K12 Financial Transparency (Remove One-Time Funding)		(614,100)	
SFD - School Facilities Division/ADOA				
	290,809,500			324,342,500
7	SFD - Remove New School Funding Completion (FY 21 Starts)		(11,730,900)	
8	SFD - Continue New School Construction Projects (FY 22 Starts)		(28,931,700)	
9	SFD - Begin New School Construction Projects (FY 23 Starts)		48,253,900	
10	SFD - Remove One-Time Building Renewal Funding		(90,832,100)	
11	SFD - Remove One-Time Funding for Retroactive Formula Increase		(63,526,200)	
12	SFD - New Construction - Kirkland (Remove One-Time Funding)		(3,000,000)	
13	SFB - Building Renewal Grants		183,300,000	
OAH - Office of Administrative Hearings				
	891,800			891,800
AAM - Commission of African-American Affairs				
	128,800			128,800
AGR - Department of Agriculture				
	16,915,700			12,415,700
17	AGR - Remove One-Time Cloud Migration Funding		(2,000,000)	
18	AGR - Remove One-Time State Agriculture Lab Equipment Funding		(2,500,000)	
AXS - AHCCCS				
	1,915,630,200			2,238,352,800
20	AXS - Formula Changes		253,951,000	65,361,500
21	AXS - Graduate Medical Education		3,000,000	
22	AXS - Newborn Screening Fee Increase		140,100	
23	AXS - Federal IT Regulation Compliance			270,000
ART - Arizona Commission on the Arts				
	0			0
ATT - Attorney General				
	24,739,800			24,739,800
CHA - State Board for Charter Schools				
	2,103,000			2,352,800
27	CHA - Ongoing Costs from '22 IT Upgrade		249,800	
DCS - Department of Child Safety				
	405,728,800			415,728,800
29	DCS - Backfill FY 2022 Higher Federal Match Rate Savings		10,000,000	

	FY 2022 GF 4/18		FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
30	ACA - Arizona Commerce Authority	78,925,000			23,925,000
31	ACA - Remove One-Time Competes Fund Deposit		(50,000,000)		
32	ACA - Remove One-Time Blockchain/Wearables Funding		(5,000,000)		
33	ACA - Retain Frankfurt Germany Trade Office Funding		(250,000)	250,000	
34	CCO - Arizona Community Colleges	108,904,700			78,661,500
35	CCO - Formula Changes		(743,200)		
36	CCO - Remove One-Time Rural Community College Aid		(14,000,000)		
37	CCO - Remove One-Time Urban Community College Aid		(13,000,000)		
38	CCO - Remove One-Time Urban STEM Funding (Maricopa/Pima)		(2,000,000)		
39	CCO - Remove One-Time Out of County Reimbursement Aid		(500,000)		
40	COR - Corporation Commission	623,100			623,100
41	ADC - Department of Corrections	1,284,302,300			1,244,915,000
42	ADC - Remove One-Time Braille Transcription Costs		(50,000)		
43	ADC - Florence Bed Closure/Shift		2,444,700		
44	ADC - Rent Savings		(600,000)		
45	ADC - Remove One-Time Substance Abuse Treatment Funding		(5,000,600)		
46	ADC - Remove One-Time Radio Replacement Funding		(17,329,500)		
47	ADC - Remove One-Time Ballistic & Stab Vest Replacement Funding		(3,851,900)		
48	ADC - Remove One-Time Medical Staffing Augmentation Funding		(15,000,000)		
49	CF - County Funding	20,650,700			17,650,700
50	CF - Reduce Re-Entry Planning Services Funding From \$10 M to \$7 M		(3,000,000)		
51	JUS - Arizona Criminal Justice Commission	1,000,000			0
52	JUS - Remove One-Time Reentry Planning Services Funding		(1,000,000)		
53	SDB - Arizona State Schools for the Deaf and the Blind	23,255,700			23,255,700
54	OEC - Office of Economic Opportunity	470,300			470,300
55	DES - Department of Economic Security	850,052,500			970,788,300
56	DES - Formula Adjustments		114,279,800	15,930,000	
57	DES - Remove One-Time Adult and Aging Services Funding		(1,474,000)		
58	DES - Remove One-Time After School/Summer Youth Funding		(500,000)		
59	DES - Remove One-Time Return to Work Program Funding		(7,500,000)		
60	BOE - State Board of Education	2,340,000			2,340,000
61	ADE - Arizona Department of Education	5,910,547,300			5,917,878,000
62	ADE - Formula Adjustments		92,348,700	(3,768,000)	

	FY 2022 GF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
63	ADE - Remove One-Time Funding to Reduce K-12 Rollover		(65,000,000)	
64	ADE - Remove One-Time Statewide Assessments Funding		(5,000,000)	
65	ADE - Remove One-Time Statewide Gifted Assessment Procurement		(850,000)	
66	ADE - Remove One-Time High Quality Teacher Scholarship Funding		(400,000)	
67	ADE - Remove One-Time CTED Incentive Program Funding		(5,000,000)	
68	ADE - Remove One-Time Extraordinary Special Needs Fund Deposit		(5,000,000)	
69	EMA - Department of Emergency & Military Affairs	13,367,100		15,274,700
70	EMA - Remove One-Time Aircraft Communication Equipment		(220,500)	
71	EMA - Remove One-Time National Guard Cyber Response Funding		(300,000)	
72	EMA - Fully Fund State Match for Readiness Center Maintenance		1,668,900	
73	EMA - Reimburse Federal Government for Facilities Maint. Overpayment		759,200	
74	DEQ - Department of Environmental Quality	15,000,000		15,000,000
75	EQU - State Board of Equalization	663,900		663,900
76	EXE - Board of Executive Clemency	1,153,300		1,153,300
77	FOR - Department of Forestry and Fire Management	16,727,600		51,099,500
78	FOR - Remove One-Time Fire Marshal Personnel Equipment		(116,700)	
79	FOR - Wildfire Mitigation Funding (Adjust Vehicle Costs)		38,211,200	(1,222,600)
80	FOR - Remove One-Time Rural Fire District Reimbursement		(2,500,000)	
81	GAM - Department of Gaming	15,759,500		14,029,500
82	GAM - Increase Ongoing County Fair Racing Funding		1,000,000	
83	GAM - Remove One-Time County Fair Racing Funding		(2,000,000)	
84	GAM - Remove One-Time County Fair Promotion Funding		(730,000)	
85	GOV - Office of the Governor	9,813,600		8,813,600
86	GOV - Remove One-Time AZ Civics Corps Funding		(1,000,000)	
87	OSP - Gov's Office of Strategic Planning & Budgeting	2,688,700		2,688,700
88	DHS - Department of Health Services	103,419,200		99,759,200
89	DHS - Remove Rural Hospital Prenatal Equipment Funding		(500,000)	
90	DHS - Remove One-Time Board of Medical Student Loans Funding		(2,000,000)	
91	DHS - Remove One-Time Cognitive Decline/Caregiver Modules		(160,000)	
92	DHS - Remove One-Time IT Funding for Adoption Records Release		(1,000,000)	
93	HOM - Department of Homeland Security	0		0
94	AZH - Arizona Historical Society	2,906,000		2,906,000

	FY 2022 GF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
95	PAZ - Prescott Historical Society	900,600		900,600
96	IND - Independent Redistricting Commission	7,900,000		0
97	IND - Remove One-Time Commission Funding (Non-Lapsing)		(7,900,000)	
98	ICA - Industrial Commission	95,000		80,000
99	ICA - Remove One-Time Municipal Firefighter Reimbursement Costs		(15,000)	
100	DIF - Department of Insurance and Financial Institutions	7,663,400		7,663,400
101	SPA - Judiciary - Supreme Court	22,234,700		22,883,800
102	SPA - Appellate CMS Operating Costs		59,100	
103	SPA - One-Time Records Sealing Funding		500,000	
104	SPA - Digital Evidence Storage (Increase From \$400k to \$490k)		90,000	
105	COA - Judiciary - Court of Appeals	16,790,800		16,790,800
106	SUP - Judiciary - Superior Court	106,655,000		106,467,500
107	SUP - Remove One-Time Vehicle Purchase Funding		(187,500)	
108	DJC - Department of Juvenile Corrections	30,696,600		30,696,600
109	LAN - State Land Department	13,315,100		13,411,400
110	LAN - CAP Rate Adjustment		(96,200)	192,500
111	Legislature			
112	AUD - Auditor General	20,723,500		20,508,500
113	AUD - K-12 Fed Funds Oversight (Reduce From \$250k to \$200k)		(50,000)	
114	AUD - Remove One-Time Audit Expenses (Non-Gov't Election Funding)		(165,000)	
115	HOU - House of Representatives	21,429,300		16,429,300
116	HOU - Remove One-Time Funding		(5,000,000)	
117	JLBC - Joint Legislative Budget Committee	2,841,900		2,841,900
118	LEG - Legislative Council	10,090,400		9,090,400
119	LEG - Remove One-Time IT Improvement Funding		(1,000,000)	
120	SEN - Senate	17,969,100		12,969,100
121	SEN - Remove One-Time Funding		(5,000,000)	
122	MIN - State Mine Inspector	1,558,200		1,558,200
123	NAV - Arizona Navigable Steam Adjudication Comm.	129,300		129,300

	FY 2022 GF 4/18		FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
124	SPB - Arizona State Parks Board	9,000,000			4,000,000
125	SPB - Remove One-Time Heritage Fund Deposit		(5,000,000)		
126	POS - Commission for Postsecondary Education	1,680,900			0
127	POS - ABOR Consolidation		(1,680,900)		
128	DPS - Department of Public Safety	291,650,400			287,300,400
129	DPS - Remove One-Time New K-9 Dog Training		(250,000)		
130	DPS - Remove One-Time Civil Asset Forfeiture Offset		(3,500,000)		
131	DPS - Remove One-Time Rapid DNA Testing Equipment Funding		(600,000)		
132	PSP - Public Safety Personnel Retirement System	6,000,000			6,000,000
133	REA - State Real Estate Department	2,922,100			2,922,100
134	REV - Department of Revenue	53,542,400			53,076,100
135	REV - Remove One-Time IT Funding (Business Tax Changes)		(466,300)		
136	SOS - Secretary of State	12,907,700			16,907,700
137	SOS - Election Funding (2022 Primary/General Elections)		4,000,000		
138	TAX - State Board of Tax Appeals	283,300			283,300
139	TOU - Office of Tourism	8,481,500			8,231,500
140	TOU - Remove One-Time Southern AZ Study Committee Funding		(250,000)		
141	DOT - Department of Transportation	3,300,000			0
142	DOT - Remove Hold Harmless Funding (Rental Vehicle Surcharge)		(3,300,000)		
143	TRE - State Treasurer	3,010,200			3,010,200
144	TRE - Justice of the Peace Salary Increases				
145	OTR - Governor's Office on Tribal Relations	63,500			63,500
146	UNI - Universities				
147	UNI - Arizona Board of Regents	29,916,000			31,596,900
148	UNI - Commission for Postsecondary Education Consolidation		1,680,900		
149	UNI - ASU	385,261,900			363,441,500
150	UNI - Lease-Purchase Adjustment		10,200		
151	UNI - Inflation Adjustment (2017 Capital Infrastructure)		250,700		
152	UNI - Remove One-Time Eastern Europe Cultural Collaborative		(250,000)		
153	UNI - Remove One-Time School of Civic/Economic Thought/Leadership		(2,750,000)		

	FY 2022 GF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18
154	UNI - Remove One-Time Political History/Leadership School Funding		(250,000)	
155	UNI - Remove One-Time Operating Funding		(18,831,300)	
156	UNI - Northern Arizona University	135,452,400		126,552,800
157	UNI - Lease-Purchase Adjustment		261,700	
158	UNI - Inflation Adjustment (2017 Capital Infrastructure)		95,000	
159	UNI - Remove One-Time Economic Policy Institute Funding		(250,000)	
160	UNI - Remove One-Time Operating Funding		(9,006,300)	
161	UNI - UA - Main Campus	250,739,100		236,364,500
162	UNI - Lease-Purchase Adjustment		3,600	
163	UNI - Inflation Adjustment (2017 Capital Infrastructure)		221,800	
164	UNI - Remove One-Time Wind Tunnel Funding		(3,500,000)	
165	UNI - Remove One-Time Center for the Philosophy of Freedom		(1,250,000)	
166	UNI - Remove One-Time Operating Funding		(9,600,000)	
167	UNI - Remove One-Time Kazakhstan Exchange Program Funding		(250,000)	
168	UNI - UA - Health Sciences Center	76,897,700		76,897,700
169	VSC - Department of Veterans' Services	8,625,500		8,583,500
170	VSC - Remove One-Time Veterans' Benefits Counselors Equipment		(42,000)	
171	WIFA - Water Infrastructure Finance Authority	12,000,000		0
172	WIFA - Remove One-Time Water Project Assistance Grants		(5,000,000)	
173	WIFA - Remove One-Time Small Water Systems Fund Deposit		(1,000,000)	
174	WIFA - Remove One-Time Water Supply Development Fund Deposit		(6,000,000)	
175	WAT - Department of Water Resources	18,424,400		17,074,400
176	WAT - Remove One-Time Water Protection Fund Deposit		(1,000,000)	
177	WAT - Remove One-Time Agua Fria Insurance Study		(350,000)	
178	OTH - Other			
179	OTH - ADOA/SFD FY 2022 Building Renewal Grants	93,117,000	(93,117,000)	0
180	OTH - Medicaid Federal Match Rate Reversion	(285,844,400)	285,844,400	0
181	OTH - ADE Enrollment Reversion	(306,900,000)	306,900,000	0
182	OTH - Universities 27th Pay Period	20,052,100	(20,052,100)	0
183	OTH - Phoenix Convention Center Debt Service	24,498,500	500,900	24,999,400
184	OTH - Rio Nuevo District	16,000,000		16,000,000
185	OTH - Pension Payoff Savings (Payoff Funding in FY 21)	0	(98,119,900)	(98,119,900)
186	OTH - Unallocated FY 2022 AFIS Transaction Fee Increase	4,700	(4,700)	0
187	OTH - Unallocated FY 2022 Risk Management Funding Adjustment	6,400	(6,400)	0
188	OTH - '23 HITF Employer Premium Increase	0		32,134,800
189	OTH - '23 AFIS Transaction Fee	0	490,000	(159,100)
190	OTH - '23 Rent Adjustments	0		(654,800)

	FY 2022 GF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 GF 4/18	
191	OTH - Administrative Adjustments	175,000,000	25,000,000	(42,000,000)	158,000,000
192	OTH - Revertments	(203,000,000)	3,000,000	(3,000,000)	(203,000,000)
193	TOTAL - OPERATING SPENDING CHANGES	12,265,473,400	460,135,700	249,312,200	12,974,921,300
194	CAPITAL SPENDING				
195	ADOA - Building Renewal	6,200,000	(6,200,000)		0
196	ADC - Building Renewal	22,205,800	(22,205,800)		0
197	COL - Building Renewal	1,000,000	(1,000,000)		0
198	ADOA - Historic State Capitol Building Restoration	11,500,000	(11,500,000)		0
199	ADOA - Building Demolition and Physical Plant Conversion	2,800,000	(2,800,000)		0
200	ADOA Replacement of Air Handler Units Phase 2	3,500,000	(3,500,000)		0
201	ADOA - Taylor Rodeo Arena	1,000,000	(1,000,000)		0
202	ADOA - Fountain Hills Discovery Center/Observatory	2,500,000	(2,500,000)		0
203	ADC - Eyman Fire & Life Safety Projects	10,000,000	(10,000,000)		0
204	EMA - Fire Suppression	927,100	(927,100)		0
205	EMA - Tucson Readiness Center Construction Cost Increases	0		1,800,000	1,800,000
206	COL - Coliseum Fire Alarm	1,000,000	(1,000,000)		0
207	Veterans' Services - Northwest Veterans' Home	25,000,000	(25,000,000)		0
208	Yuma Fairgrounds Relocation	5,000,000	(5,000,000)		0
209	TOTAL - CAPITAL SPENDING	92,632,900	(92,632,900)	1,800,000	1,800,000
210	TOTAL - ALL SPENDING	12,358,106,300	367,502,800	251,112,200	12,976,721,300
211	REVENUE CHANGES				
212	Ongoing Revenue				
213	REV - Ongoing Revenue (Including Urban Revenue Sharing)	15,406,561,400	147,374,900		15,553,936,300
214	REV - Enacted Tax Reductions (Ongoing)	(51,020,000)	(1,265,326,000)		(1,316,346,000)
215	One-Time Revenue				
216	REV - Beginning Balance	894,636,000	1,208,597,600	164,783,000	2,268,016,600
217	REV - Water Infrastructure Repayment	20,000,000	(20,000,000)		0
218	REV - Enacted Tax Reductions (One-Time)	(704,978,100)	261,777,600		(443,200,500)
219	TOTAL - REVENUE CHANGES	15,565,199,300	332,424,100	164,783,000	16,062,406,400
220	PROPOSITION 208 RESERVE	939,076,400	(939,076,400)		0
221	ENDING BALANCE (INCLUDING PROPOSITION 208 RESERVE)	3,207,093,000	903,997,700	(86,329,200)	3,085,685,100

1/ Represents FY 2023 Baseline cost above FY 2022 4/18 Plan spending

DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
OPERATING SPENDING CHANGES				
1	SBA - State Board of Accountancy	2,051,800		2,051,800
2	ACU - Acupuncture Board of Examiners	176,800		176,800
3	ACU - eLicensing Upgrade			
4	DOA - Arizona Department of Administration	199,005,900		190,126,700
5	DOA - Remove One-Time Monument/Memorial Repair Funding		(21,500)	
6	DOA - Remove One-Time Hoteling Project Funding		(375,900)	
7	DOA - AZ Financial Info System -2nd of 3 Year Plan (\$760 K GF Cost)		1,500,000	
8	DOA - Risk Management - Worker Compensation Claims		(2,918,600)	
9	DOA - Risk Management - Admin/Legal Expenses		(696,500)	
10	DOA - Statewide Info Security to Homeland Security (Done in 4/21)		(6,366,700)	
11	APF - Automation Projects Fund/ADDOA	32,060,700		1,500,000
12	APF - Reduce K-12 Financial Project from \$3 M in '22 to \$1.5 M in '23		(1,500,000)	
13	APF - Remove State Data Center		(2,000,000)	
14	APF - Remove Charter School Board Online Platform		(614,100)	
15	APF - Remove Child Care Management System		(9,000,000)	
16	APF - Remove ADE ELAS		(7,200,000)	
17	APF - Remove Tribal Gaming Certification e-Licensing		(850,000)	
18	APF - Remove IT Upgrades		(1,067,700)	
19	APF - Remove Psychologist Examiners e-Licensing		(20,000)	
20	APF - Remove DPS Concealed Weapons Tracking		(550,000)	
21	APF - Remove Business One-Stop		(7,758,900)	
22	AGR - Department of Agriculture	1,734,600		1,734,600
23	AXS - AHCCCS	386,347,600		377,646,800
24	AXS - Formula Changes		(21,333,600)	22,710,800
25	AXS - Remove One-Time PMMIS Roadmap Funding		(78,000)	
26	AXS - Remove One-Time Health Care Investment Fund Increase		(4,000,000)	
27	AXS - Remove One-Time Substance Use Disorder Services Fund Deposit		(6,000,000)	
28	BAT - Board of Athletic Training	127,000		127,000
29	ATT - Attorney General	60,389,300		57,597,200
30	ATT - Remove One-Time Antitrust Enforcement		(1,000,000)	
31	ATT - Remove One-Time Fleet Initiative		(156,300)	
32	ATT - Remove One-Time Election Litigation Funding		(500,000)	
33	ATT - Remove One-Time Attorney Stipends and Retention Bonuses		(2,000,000)	

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
34	ATT - Remove One-Time Child and Family Advocacy Centers (CPCF)		(500,000)	
35	ATT - Remove One-Time Expert Witnesses and Outside Counsel Funding		(1,200,000)	
36	ATT - Remove One-Time Missing and Murdered Indigenous People Cmte		(40,000)	
37	ATT - 17 State Liability Attorneys to Replace Outside Counsel			2,604,200
38	BAR - Board of Barbers	408,900		0
39	BAR - Agency Consolidation		(408,900)	
40	BCB - Barbering and Cosmetology Board	0		2,258,800
41	BCB - Agency Consolidation		2,258,800	
42	BHE - Board of Behavioral Health Examiners	1,776,100		1,776,100
43	DCS - Department of Child Safety	290,993,200		200,593,200
44	DCS - Remove One-Time Child Care Development Funding		(90,400,000)	
45	BCE - State Board of Chiropractic Examiners	437,000		437,000
46	ROC - Registrar of Contractors	12,590,300		12,590,300
47	COR - Corporation Commission	27,326,600		27,326,600
48	ADC - Department of Corrections	53,339,000		53,339,000
49	COS - Board of Cosmetology	1,856,700		0
50	COS - Agency Consolidation		(1,856,700)	
51	JUS - Arizona Criminal Justice Commission	7,174,600		7,174,600
52	SDB - AZ State Schools for the Deaf and the Blind	32,063,800		32,063,800
53	HEA - Comm for the Deaf & the Hard of Hearing	4,631,900		4,631,900
54	DEN - Board of Dental Examiners	1,815,800		1,755,100
55	DEN - Remove One-Time File Imaging Costs		(60,700)	
56	DES - Department of Economic Security	1,491,838,200		383,499,800
57	DES - DDD State Funded Long Term Care Costs		820,900	
58	DES - Remove One-Time Federal Child Care Funding		(1,086,612,800)	
59	DES - Remove One-Time Sexual Violence Service Fund Deposit		(8,000,000)	
60	DES - Remove One-Time Emergency Grants		(14,546,500)	
61	ADE - Arizona Department of Education	322,567,600		338,929,700

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
62	ADE - Endowment Earnings Growth		9,384,100	9,679,100
63	ADE - Remove Unused Program \$ (Online Professional Development)		(2,701,100)	
64	EMA - Department of Emergency & Military Affairs	1,930,400		1,987,400
65	EMA - NEMF Assessment Alignment		57,000	
66	DEQ - Department of Environmental Quality	75,619,400		73,855,400
67	DEQ - Remove One-Time Waste Program Funding		(604,000)	
68	DEQ - Remove One-Time Surface Water Program Funding		(1,160,000)	
69	OEO - Governor's Office of Equal Opportunity	191,300		191,300
70	COL - Arizona Exposition and State Fair Board	13,297,500		13,297,500
71	EMB - Board of Funeral Directors and Embalmers	402,800		393,200
72	EMB - Remove One-Time Technology Update		(9,600)	
73	FIS - Arizona Game and Fish Department	46,791,700		46,791,700
74	GAM - Department of Gaming	17,073,100		21,671,000
75	GAM - Align Admin Funding w/ 9% Statutory Minimum		4,597,900	
76	DHS - Department of Health Services	58,939,000		56,996,400
77	DHS - Remove One-Time Newborn Screening Equipment		(942,600)	
78	DHS - Remove One-Time Child Care Licensing System Costs		(1,000,000)	
79	HLS - Arizona Department of Homeland Security	0		6,366,700
80	HLS - Move Statewide Info Security from ADOA (Done in 4/21)			6,366,700
80				
80	HOM - Board of Homeopathic & Integrated Medicine Examiners	46,000		46,000
81	DOH - Department of Housing	322,700		322,700
82	IND - Industrial Commission	20,122,000		20,122,000
83	DIF - Department of Insurance and Financial Institutions	10,067,500		10,067,500
84	SPA - Judiciary - Supreme Court	31,044,800		31,044,800
85	SUP - Judiciary - Superior Court	11,975,600		11,975,600
86	DJC - Department of Juvenile Corrections	14,921,900		14,921,900

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
87	LAN - State Land Department	12,588,700		12,588,700
88	LIQ - Department of Liquor Licenses & Control	4,456,300		4,256,300
89	LIQ - Remove One-Time Cocktails-To-Go Automation Costs		(200,000)	
90	LOT - Arizona State Lottery Commission	164,067,900		169,651,600
91	LOT - Tab Tickets		60,000	
92	LOT - Instant Ticket Sales		1,491,500	
93	LOT - On-Line Vendor Fees		486,800	
94	LOT - Retailer Commissions		3,545,400	
95	BMT - Board of Massage Therapy	473,700		473,700
96	MED - Arizona Medical Board	7,507,100		7,507,100
97	MIN - State Mine Inspector	112,900		112,900
98	NAT - Naturopathic Physicians Medical Board	193,200		193,200
99	NAV - Navigable Stream Adjudication Commission	200,000		200,000
100	NUR - State Board of Nursing	5,275,100		5,260,800
101	NUR - Remove One-Time Equipment Purchases		(14,300)	
102	NCI - Nursing Care Inst. Administrators Board	526,100		526,100
103	OCC - Board of Occupational Therapy Examiners	199,900		199,900
104	DIS - State Board of Dispensing Opticians	162,600		162,600
105	OPT - State Board of Optometry	241,900		241,900
106	OST - AZ Board of Osteopathic Examiners in Medicine/Surgery	1,067,600		1,067,600
107	SPB - Arizona State Parks Board	20,839,500		17,945,100
108	SPB - Remove One-Time Wastewater Funding		(1,116,000)	
109	SPB - Remove One-Time Cabin Debt Payoff		(528,400)	
110	SPB - Remove One-Time State Parks Store Fund Deposit		(1,000,000)	
111	SPB - Remove One-Time Maintenance Funding		(250,000)	
112	PER - Personnel Board	326,400		326,400
113	PHA - Arizona State Board of Pharmacy	3,083,900		3,083,900

	FY 2022 OF 4/18		FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
114	PHY - Board of Physical Therapy Examiners	504,100			504,100
115	PIO - Arizona Pioneers' Home	7,043,200			7,043,200
116	POD - State Board of Podiatry Examiners	168,200			168,200
117	POS - Commission for Postsecondary Education	1,537,100			0
118	POS - Agency Transfer to ABOR (Enacted in '22 Budget)		(1,537,100)		
119	PRI - Board for Private Postsecondary Education	413,500			413,500
120	PSY - State Board of Psychologist Examiners	550,800			550,800
121	DPS - Department of Public Safety	136,328,100			77,114,500
122	DPS - Remove Microwave Backbone Replacement		(48,200,000)		
123	DPS - Remove One-Time Body Camera Equipment Funding		(6,904,400)		
124	DPS - Remove One-Time Active Shooter Funding		(2,912,900)		
125	DPS - Remove One-Time AZPOST Funding		(1,196,300)		
126	RUC - Residential Utility Consumer Office	1,352,200			1,352,200
127	RES - Board of Respiratory Care Examiners	324,100			324,100
128	RET - Arizona State Retirement System	25,048,400			25,048,400
129	REV - Department of Revenue	27,161,200			27,161,200
130	SOS - Secretary of State	1,479,300			1,770,300
131	SOS - Access Voter Information Database (HAVA) (Footnote)			291,000	
132	TEC - State Board of Technical Registration	2,352,900			2,207,700
133	TEC - Remove One-Time Record Digitization Funding		(145,200)		
134	DOT - Department of Transportation	467,515,200			467,515,200
135	TRE - State Treasurer	9,767,500			5,767,500
136	TRE - Remove One-Time Interoperability Funding		(1,500,000)		
137	TRE - Remove One-Time School Safety Program Funding		(2,500,000)		
138	UNI - Universities				
139	UNI - Arizona Board of Regents	0			0
140	UNI - ABOR - Commission for Postsecondary Ed. Agency Transfer		1,537,100		

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
141	UNI - ABOR - CPSE Shift to Non-Appropriated (Laws 2022, Ch. 21)		(1,537,100)	
142	UNI - ASU	597,718,800		597,718,800
143	UNI - Northern Arizona University	134,983,300		134,983,300
144	UNI - UA - Main Campus	304,589,000		304,589,000
145	UNI - UA - Health Sciences Center	56,363,300		56,363,300
146	VSC - Department of Veterans' Services	50,519,000		56,305,600
147	VSC - Hyperbaric Oxygen Therapy GF Reimbursement		25,000	
148	VSC - Operating Costs for New Veterans' Homes (Flagstaff/Yuma)		5,761,600	
149	VME - Veterinary Medical Examining Board	601,800		601,800
150	WAT - Department of Water Resources	2,506,600		2,506,600
151	OTH - Other			
152	OTH - ADOA Federal Financial Participation Repayment Supplemental	1,110,600	(1,110,600)	0
153	OTH - Unallocated FY 2022 HITF Employer Premium Increase	7,986,500	(7,986,500)	0
154	OTH - Unallocated FY 2022 Retirement Adjustments	1,987,400	(1,987,400)	0
155	OTH - Unallocated FY 2022 Risk Management Adjustments	(70,900)	70,900	0
156	OTH - Unallocated FY 2022 AFIS Transaction Fee	472,900	(472,900)	0
157	OTH - Unallocated FY 2022 Rent Adjustments	100,700	(100,700)	0
158	OTH - Unallocated FY 2022 Fleet Adjustments	704,700	(704,700)	0
159	OTH - Universities 27th Pay Period (Enacted)	36,887,300	(36,887,300)	0
160	OTH - '23 HITF Employer Premium Increase	0	10,500,000	10,500,000
161	OTH - '23 AFIS Transaction Fee	0	1,000,000	175,000
162	OTH - '23 Rent Adjustments	0	(2,300,000)	(2,300,000)
163	TOTAL - OPERATING SPENDING CHANGES	\$5,332,788,700	(\$1,366,488,200)	43,269,500
164	CAPITAL SPENDING CHANGES			
165	Building Renewal			
166	Arizona Department of Administration	18,000,000		18,000,000
167	Arizona Department of Corrections	5,864,300		5,864,300
168	Game & Fish Department	1,215,800	243,800	1,459,600
169	Arizona Lottery Commission	152,800	23,600	176,400
170	State Parks Board	2,396,700	(2,396,700)	2,742,800
171	Pioneers' Home	353,100	(353,100)	396,500
172	Arizona Department of Transportation	15,710,400		15,710,400

	FY 2022 OF 4/18	FY 23 Baseline 1/ Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
173 New Projects				0
174 AG - Deferred Maintenance at 15 S. 15th Ave	4,000,000	(4,000,000)		0
175 ADC - Eyman Fire/Life Safety	15,564,400	(15,564,400)		0
176 ASDB - Classroom Notification System Replacement	150,000	(150,000)		0
177 DEMA - Fire Suppression	191,000	(191,000)		0
178 G&F - Dam Maintenance	150,000	(150,000)		0
179 G&F - Hatchery Capital Projects	2,600,000	(2,600,000)		0
180 G&F - Hatchery Maintenance Projects	400,000	(400,000)		0
181 G&F - Property Maintenance	300,000	(300,000)		0
182 DHS - Building Demolition	2,000,000	(2,000,000)		0
183 DJC - Door Replacement	2,500,000	(2,500,000)		0
184 Leg Council - Historic Capitol Building Restoration	400,000	(400,000)		0
185 Parks - Dead Horse Amphitheater	150,000	(150,000)		0
186 Parks - Kartchner Caverns Roof Replacement	450,000	(450,000)		0
187 Parks - Red Rock Fire Suppression	126,000	(126,000)		0
188 Parks - Red Rock Maintenance Building	435,200	(435,200)		0
189 Parks - Rockin River Ranch	750,000	(750,000)		0
190 DPS - Training Academy	3,000,000	(3,000,000)		0
191 ADOT - Statewide Highway Construction	95,042,000	99,178,000		194,220,000
192 ADOT - Controlled Access	117,168,000	20,503,000		137,671,000
193 ADOT - Debt Service	148,900,000	(10,418,000)		138,482,000
194 ADOT - Airport Planning	26,000,000	1,100,000		27,100,000
195 ADOT - Liquid Brine Tanks Statewide	1,950,000	(1,950,000)		0
196 ADOT - Replace Vehicle Fueling Facilities	1,800,000	(1,800,000)		0
197 ADOT - Interstate 17 Expansion (Enacted)	45,000,000	(45,000,000)		0
198 ADOT - Higher Wickenburg Maintenance Office Construction Cost	3,150,000	(3,150,000)		0
199 TOTAL - CAPITAL SPENDING CHANGES	\$515,869,700	22,814,000	3,139,300	\$541,823,000
200 TOTAL - OPERATING & CAPITAL SPENDING	\$5,848,658,400	(1,343,674,200)	46,408,800	\$4,551,393,000
201 FUND TRANSFERS				
202 APF/DOA - Automation Projects Fund - All For IT Projects				
203 APF/DOA - ADOA Automation Operations	4,758,900	(4,758,900)		0
204 APF/DOA - ADOA State Web Portal	3,000,000	(3,000,000)		0
205 APF/DOA - DES CCDF Transfer - Child Care Management System	9,000,000	(9,000,000)		0
206 APF/DOA - ADE ESA Account Fund	4,448,900	(4,448,900)		0
207 APF/DOA - Treasurer ESA Program	2,751,100	(2,751,100)		0
208 APF/DOA - Gaming Arizona Benefits Fund	850,000	(850,000)		0
209 APF/DOA - Industrial Commission Admin Fund	1,067,700	(1,067,700)		0
210 APF/DOA - DPS Concealed Weapons Permit Fund	550,000	(550,000)		0
211 APF/DOA - Board of Psychologist Examiners Fund	20,000	(20,000)		0

	FY 2022 OF 4/18		FY 23 Baseline <u>1</u> / Above FY 22	FY 23 Change to FY 23 Baseline	FY 2023 OF 4/18
212	TOTAL - FUND TRANSFERS				
	\$26,446,600		(\$26,446,600)	\$0	\$0
213	EXPENDITURE AUTHORITY CHANGES				
214	AXS - Long Term Care Caseload	0		63,336,300	63,336,300
215	AXS - Acute Caseload	0		358,336,500	358,336,500
216	AXS/DES - ARP Home and Community Based Services ('22 in 2157)	1,440,732,800	(1,440,732,800)		0
217	DCS - Align Expenditure Authority w/ Federal Revenue (Exec/'22 in 2157)	15,100,000	(15,100,000)	14,900,000	14,900,000
218	DCS - FY 22 Enhanced FMAP Extension (Exec) [3rd Quarter]	5,105,000	(5,105,000)		0
219	DCS - Adoption Services Growth (Exec)	3,300,000	(3,300,000)	11,100,000	11,100,000
220	DCS - 4th Quarter FMAP Extension (JLBC)	5,000,000	(5,000,000)		0
221	DES - DD Caseload and Capitation Growth	0		29,862,600	29,862,600
222	DES - 3rd and 4th Quarter FMAP Extension (JLBC)	139,824,000	(139,824,000)		0
223	TOTAL - EXPENDITURE AUTHORITY CHANGES	\$1,609,061,800	(\$1,609,061,800)	\$477,535,400	\$477,535,400

1/ Represents FY 2023 Baseline cost above FY 2022 4/18 Plan spending

FY 2023 BUDGET RECONCILIATION BILL PROVISIONS

Amusements

Department of Gaming

1. As session law, continues to set the Racing Wagering Assessment at 0.5% in FY 2023 only.

Section
AMUS 1

Budget Implementation

Statewide

2. As session law, continues to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services.
3. As session law, continues to notwithstanding the requirements for any deposit to or any withdrawals from the Budget Stabilization Fund through FY 2025.

BI 1
BI 2

Courts

Judiciary

4. As session law, amend Laws 2018, Chapter 278, Section 17 as amended by Laws 2021, Chapter 403, Section 24 to allow the Supreme Court to spend money on a new appellate case management system in FY 2023.

CRTS 1

Environment

Department of Environmental Quality

5. As session law, continues to allow the department to utilize up to \$6,531,000 from the Underground Storage Tank (UST) Fund in FY 2023 for department administrative expenses and for sewage remediation.
6. As session law, continues notwithstanding the \$18,000,000 annual funding level for the Water Quality Assurance Revolving Fund (WQARF) and limiting the General Fund transfer to \$15,000,000.
7. As session law, continues to charge fees that are not greater than the FY 2022 level of vehicle emissions inspection fees in FY 2023.

ENV 2
ENV 4
ENV 5

Arizona Department of Agriculture

8. As session law, continues fee raising authority and an exemption relating to establishing fees for the Arizona Department of Agriculture in FY 2023, including legislative intent that limits additional revenues to \$357,000.

ENV 6

Arizona Navigable Stream Adjudication Commission

9. As session law, continues to allow use of the Water Banking Fund for the commission's legal obligations.

ENV 3

Department of Water Resources

10. As session law, continues 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 2023.

ENV 1

Health

AHCCCS

Rates and Services

11. As session law, continues the FY 2010 risk contingency rate reduction for all managed care organizations. Continues to impose a reduction on funding for all managed care organizations administrative funding levels. HLTH 7

Counties

12. As session law, sets the FY 2023 county Arizona Long Term Care System (ALTCS) contributions at \$333.3 million. HLTH 1
13. As session law, sets the County Acute Care contribution at \$44,917,500. HLTH 4
14. As session law, continues to exclude Proposition 204 administration costs from county expenditure limitations. HLTH 5
15. As session law, continues to require AHCCCS to transfer any excess monies back to the counties by December 31, 2023 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act. HLTH 3

Hospitals

16. As session law, continues to establish FY 2023 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 2023. HLTH 2
17. As session law, continues 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

18. As session law, continues to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation. HLTH 9

Department of Health Services

19. As session law, continues to exempt county expenditures on Restoration to Competency treatment at the Arizona State Hospital from county expenditure limitations. HLTH 6
20. As session law, continues 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 8

Higher Education

Arizona Community Colleges

21. As session law, continues to suspend the Operating State Aid funding at levels specified in the General Appropriation Act, which effectively means suspending the formula in FY 2023 for only Maricopa and Pima Counties. HEd 3
22. As session law, continues to set the Science, Technology, Engineering and Mathematics and Workforce Programs district funding at levels specified in the General Appropriation Act, which effectively means suspending the formula in FY 2023 for only Maricopa, Pima and Pinal Counties. HEd 2

Universities

23. As session law, continues 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

Human Services

Department of Economic Security

24. As session law, continues 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 suspicion the recipient uses illegal drugs. HS 1

K-12 Education

Department of Education

Formula Requirements

25. As permanent law, increases 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 2.0% for standard inflation. K12
1,2,3

Results-Based Funding

26. As session law, continue to notwithstanding A.R.S. § 15-249.08 to fund Results-Based Funding in FY 2023 as follows: K12 5
- \$225 per pupil to schools with statewide assessment scores in the top 13% statewide
 - \$225 per pupil to schools with statewide assessment scores between the top 13% and 27% among schools with at least 60% FRPL-eligibility
 - \$400 per pupil to schools with statewide assessment scores in the top 13% among schools with at least 60% FRPL-eligibility
 - \$400 per pupil for alternative schools in the top 27% among schools with at least 60% FRPL-eligibility.

Other

27. As session law, continues 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 6
28. As permanent law, updates 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 2023. K12 4

Local Government

Counties and Cities & Towns

29. As session law, continues to allow counties with a population of less than 250,000 according to the 2020 Decennial Census to use any source of county revenue to meet a county fiscal obligation for FY 2023, up to \$1,250,000 of county revenue for each county. Continues to require counties using this authority to report to the Director of the JLBC on the intended amount and sources of funds by October 1, 2022. LG 1

Management of State Buildings

Arizona Department of Administration

30. As session law, continues to set the FY 2022 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. MSB 1

FY 2023 GENERAL APPROPRIATION ACT PROVISIONS

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 deferral of \$865,727,700 of Basic State Aid payments for FY 2023 until FY 2024. Continue to exempt districts with less than 2,000 students from the deferral. Appropriate \$865,727,700 in FY 2024 for these deferred Basic State Aid payments. Allow ADE to make the rollover payment no later than July 12, 2023	104
2. As session law, continue to require school districts to include in the FY 2023 revenue estimates that they use for computing their FY 2023 tax rates the rollover monies that they will receive for FY 2023 in July 2023.	104
Revenues	
3. As session law, continue to specify revenue and expenditure estimates for FY 2022, FY 2023, FY 2024, and FY 2025.	113
4. As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2022 ending balances by September 15, 2022. Require the Joint Legislative Budget Committee (JLBC) Staff to report to JLBC by October 15, 2022 as to whether FY 2023 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections.	113
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.	109
6. As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2023 in all agencies and provide it to the Director by October 1, 2023. The Universities are exempt from the report but are required to report separately.	110
7. As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2022 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2022.	111
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.	112
9. As session law, require the following entities to report quarterly on all expenditures through the end of FY 2025 to the Senate President, Speaker of the House of Representatives, Appropriations Committee chairmen, and the JLBC Director on the use of monies received from the American Rescue Plan Act (ARPA) and Infrastructure Investment and Jobs Act (IIJA):	108
– The Governor's Office would report on the Coronavirus State Fiscal Recovery Fund and the Coronavirus Capital Projects Fund under ARPA and the Affordable Connectivity Fund under IIJA. Would also require reporting prior to spending more than \$10,000,000 from the ARPA funds.	
– The Superintendent of Public Instruction would report on the Elementary and Secondary School Emergency Relief Fund. Would also require reporting prior to spending more than \$10,000,000.	
– The Arizona Board of Regents and each community college district would report on the Higher Education Emergency Relief Fund.	
The Legislature's intent is that the Executive branch also report on any additional federal aid distributed to Arizona through federal legislation enacted before the end of FY 2023. (Similar provision as appeared in the FY 2022 Budget Procedures BRB. The Arizona Supreme Court declared the entire bill unconstitutional.)	

General

10.	As session law, continue to define “*” as designating an appropriation exempt from lapsing.	114
11.	As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations.	115
12.	As session law, continue to define "review by the Joint Legislative Budget Committee" (JLBC) as a review by a vote of a majority of a quorum of the members.	116

FY 2023 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.

	<u>Section</u>	
Arizona Department of Administration		
13.	Deletes footnote requiring the department to charge state agencies not more than \$10.42 per user per month for the statewide email and calendar service.	4
14.	Modifies a footnote to no longer require JLBC review of a report on travel reduction pilot programs but continues to require the report.	4
Department of Corrections		
15.	Eliminates footnote requiring the department to submit semi-annual reports on the status of performance measures tracked as required by the <i>Parson v. Ryan</i> stipulation agreement.	21
16.	Modifies footnote requiring JLBC review of capacity changes only if the department opens or closes 100 or more state-operated or private prison beds.	21
17.	Adds a footnote requiring the department to submit actual FY 2022, estimated FY 2023, and requested FY 2024 expenditures when the department submits its FY 2024 budget request. (Previously included in the Criminal Justice Budget Reconciliation Bill)	21
Department of Economic Security		
18.	Deletes footnote requiring DES submit an expenditure plan report to the JLBC on any new Division of Developmental Disabilities salary adjustments not previously reviewed by the committee.	27
19.	Deletes footnote requiring report on the number of filled positions for case managers and non-case managers in the Division of Developmental Disabilities.	27
Department of Gaming		
20.	Adds footnote requiring the department to report to the JLBC and OSPB by October 1, 2022 on the expected amount and purpose of expenditures from the Additional Operating Expenses line item for FY 2023.	39
21.	Adds footnote requiring the department to report to the JLBC and OSPB by August 1, 2022 on the expected amount and purpose of expenditures from the Event Wagering Fund for FY 2023.	39
Judiciary – Superior Court		
22.	Modifies a footnote to no longer require JLBC review of a report on county-approved salary adjustments provided to probation officers but continues to require the report.	50

Department of Land

- 23. Adds footnote specifying if actual CAP rate for 2023 is below \$56, the department shall revert difference between \$56 per square foot and actual rate to General Fund by August 1, 2022. The department shall notify JLBC Staff and OSPB within 5 days for CAP rate being set. 52

Capital

- 24. Deletes footnote reverting unexpended capital monies after 2 years. This deletion will return the lapsing policy to the existing permanent law provision. CO
- 25. Deletes redundant footnote requiring JCCR review of capital appropriations. Statute already requires JCCR review. CO

FY 2022 CHANGES

	A	B	C
	<u>JLBC Baseline</u> Change to Original '22 Budget	4/18 Change to Baseline	4/18 Change to Original '22 Budget
General Fund			
1 ADOA-SFB - Building Renewal Grants		\$93,117,000	\$93,117,000
2 AHCCCS - Federal Match Rate Reversion	(\$77,932,400)	(\$90,000,000)	(\$167,932,400)
3 Department of Child Safety - Federal Match Rate Reversion	(5,000,000)	(5,000,000)	(10,000,000)
4 Department of Economic Security - Federal Match Rate Reversion	(69,912,000)	(38,000,000)	(107,912,000)
5 Department of Education - Enrollment Reversion	(285,000,000)	(21,900,000)	(306,900,000)
6 General Fund - Total	(\$437,844,400)	(\$61,783,000)	(\$499,627,400)
Other Funds			
7 Arizona Department of Administration - Federal Financial Participation	\$1,110,600		\$1,110,600
8 Other Funds - Total	\$1,110,600	\$0	\$1,110,600
Expenditure Authority			
9 AHCCCS/DES - ARPA Home and Community Based Services ('22 in 2157)		\$1,440,732,800	\$1,440,732,800
10 Department of Child Safety - Adoption Services Growth		3,300,000	3,300,000
11 Department of Child Safety - Align Expenditure Authority w/Federal Revenue		15,100,000	15,100,000
12 ('22 in 2157)			
13 Department of Child Safety - 3rd and 4th Qtr FMAP Extension		10,105,000	10,105,000
14 Department of Economic Security - 3rd and 4th Qtr FMAP Extension		139,824,000	139,824,000
15 Expenditure Authority - Total	\$0	\$1,609,061,800	\$1,609,061,800