

Summary of FY 2023 Agency Operating Budget Requests

Prepared by JLBC Staff
September 21, 2021

List of FY 2023 Agency Operating Budget Requests

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N/A = Agency not requesting additional funds

NR = Agency has not submitted request

TBD = To be determined

Arizona Department of Administration

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Human Resources Information System (HRIS) Modernization - Phase 1 (of 4) costs to replace system	17,092,200	0
(2) One-Stop Expansion - Continue development of Business One Stop Project and add Health & Human Services One-Stop	16,614,300	0
(3) Health Insurance Trust Fund (HITF) Stabilization - ADOA estimates HITF needs to generate \$87.7 million in ongoing revenue via employer premium increases. The General Fund cost would be approximately \$26-\$55 million, depending on cost allocation for Universities. In addition, ADOA requests an increase of \$52.3 million from non-appropriated HITF for increase medical claim costs.	0	0
(4) Medical and Pharmacy Cost Containment - Increase HITF administrative costs to establish a cost containment task force	0	300,000
(5) Enterprise Collaborative Hoteling Workspace - Funds annual operating costs of a hoteling space including technology, rent, and staff (IT Fund). In addition to OF amount, request includes \$250,000 in non-appropriated funding.	0	250,000
(6) Compression Plan Revenue Effects - Adds AHCCCS buildings into COSF rent, eliminates SOS rent exemptions by increasing agency funding to pay rent.	0	0
(7) Risk Management increases: increases to premiums, administration and legal fees, Workers Compensation, and Liability payments (Risk Management Revolving Fund)	0	2,529,300
(8) Technical Adjustment - AFIS Upgrade Phase 2	0	1,500,000
(9) Remove one-time Enduring Freedom Memorial Repair Funding		(21,500)
(10) Remove one-time Hoteling Pilot Program Funding		(375,900)
(11) Remove one-time State Permitting Dashboard Funding	(100,000)	
(12) Remove one-time Transwestern Pipeline Litigation Settlement Funding	(10,000,000)	
(13) Increase Transwestern Pipeline Litigation Settlement Funding	10,000,000	
(14) Enterprise Cyber Risk Insurance - \$20 million deposit to new non-appropriated Cyber Risk Fund and \$3.1 million for first-year funding of insurance premium and 1 FTE Position (ongoing costs would be allocated to agencies in future years).	23,087,200	
(15) Transfer Statewide Information Security and Privacy Operations line item to the Arizona Department of Homeland Security		(6,366,700)

Change from FY 22 - Budget Request	\$ 56,693,700	\$ (2,184,800)
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FY 22 Supplementals

Estimated Federal Financial Participation (FFP) repayments based on disallowed costs calculation (Risk Management Revolving Fund). Prior Years funded via Risk Management Revolving Fund	1,100,600
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Note: Lines 11-12 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Arizona Department of Administration - School Facilities Division

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Remove one-time Building Renewal Grants funding	(90,832,100)	
(2) SFB Building Renewal Grants - increase Building Renewal Grant funding to \$152.0 million. Request is \$44.5 million above FY 22 and \$135.3 million above the ongoing funding level.	135,332,100	0
(3) Remove one-time New School Construction funding	(107,188,800)	
(4) SFB New School Construction	15,269,500	0
• Nadaburg 9-12: \$22.1 million total cost. FY 23 = \$11.1 M for 50% Construction Cost (No Land Cost)		
• Pima 7-12: \$8.4 million total cost. FY 23 = \$4.2 M for 50% Construction Cost (No Land Cost)		
• Projects based on Conceptual Approvals as of June 2021, final list of FY 23 projects will be reviewed and approved by ADOA School Facilities Division on or before December 15, 2021.		
Change from FY 22 - Budget Request	\$ (47,419,300)	\$ -
<u>FY 22 Supplementals</u>		
Building Renewal Grants - To be determined		

Arizona Commission of African-American Affairs

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Administrative Assistant	56,000	0
(2) Public Information Officer	65,800	0
(3) Workshops and Community Programs - No further detail provided	220,600	0
(4) Annual Conference	28,000	0
Change from FY 22 - Budget Request	\$ 370,400	\$ -

Arizona Department of Agriculture

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Enterprise Compensation Strategy - amount to be determined	0	0
(2) Remove one-time IT Funding	(2,000,000)	
(2) Update the department's information technology capabilities. Includes \$2.4 million one-time and \$0.5 million ongoing	2,900,000	
(3) Remove one-time funding for state agricultural laboratory equipment	(2,500,000)	
Change from FY 22 - Budget Request	\$ (1,600,000)	\$ -

AHCCCS

	General Fund FY 23 Change Above FY 22	FMA + CHIP + Fed PDRF FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>			
(1) Formula Adjustments - Assumes capitation rate growth of 4.0% across all populations. Assumes Y/Y Traditional caseload decline of (5)% in FY 23. Regular FMAP rate decreasing from 70.01% in FFY 22 to 69.06%. Includes \$219 million GF from expiration of enhanced FMAP [2-12]	356,869,200	(760,934,500)	(6,179,300)
<u>Policy Issues</u>			
(2) American Indian Health Program - SMI Integration: Would hire 7 FTE to help provide care management for 350 individuals transitioning from RBHAs to AIHP in October 2022 [1]	178,600	412,900	0
(3) Compliance with Patient Access Final Rule: Would contract with vendor to develop and host software; \$195,000 GF one-time/\$75,000 GF ongoing [1]	270,000	1,980,000	0
(4) Increased Datacom Charges: Current claims/encounters vendor increasing annual software licensing fees by \$2 million [1]	500,000	1,500,000	0
(5) PMMIS Replacement: To acquire the services of a system integration provider to modernize PMMIS. \$2 million GF cost in out-years [1]	500,000	9,000,000	0
(6) Compensation Strategy Plan: To fund a pay increase plan for select positions; cost and structure still being finalized [1]	0	0	0
(7) ARPA HCBS Reinvestment Funding: Federal drawdown associated with temporary 10% FMAP increase for HCBS services; spending plan includes \$777 million within AHCCCS across FY 22-24 [1]	0	237,203,300	
Policy Issues Subtotal	1,448,600	250,096,200	0
Change from FY 22 - Budget Request	\$ 358,317,800	\$ (510,838,300)	\$ (6,179,300)

Note: Numbers in brackets represent agency's ranking of policy issues by priority.

Arizona Commission on the Arts

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) On-Going Appropriation Request - appropriate \$5 million to the Arizona Arts Trust Fund from any funding source, labeled as ongoing. The Commission does not specify a fund source.	0	0
Change from FY 22 - Budget Request	\$ -	\$ -

Board of Athletic Training

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Executive Director requests a salary increase	0	6,900
Change from FY 22 - Budget Request	\$ -	\$ 6,900

Attorney General

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Consumer Protection Settlement Backfill: increase from Consumer Protection Revolving Fund to backfill funding for 3 FTE Positions for opioid and automobile-related fraud resources. These positions were previously funded with specific settlement funds that will now be depleted.	0	331,000
(2) Expand Medicaid Fraud Control Unit: increase from Consumer Protection Revolving Fund for 8 FTE Positions; OF includes \$350,100 ongoing and \$59,900 in one-time equipment costs.	0	410,000
(3) Increased workload associated with a new law prohibiting the disclosure of unredacted victim information to defendants' attorneys; adds 3 FTE Positions for the Criminal Division.	297,600	0
(4) Expand the Liability Management Section (LMS) and reduce the use of outside counsel: increase from Risk Management Revolving Fund for 23 FTE Positions.	0	3,374,200
(5) Unfunded Mandate for De Novo Trials: Adds 3 FTE Positions for the State Government Division for an increased workload associated with a new law regarding the review of licensing decisions made by state boards and agencies.	403,800	0
(6) Increased cases and workload in the Office of Victim Services; adds 2 FTE Positions	198,400	0
(7) Human Trafficking Outreach Program: increase from Consumer Protection Revolving Fund for 1 FTE Position for expanded human trafficking outreach.	0	116,400
(8) Removes one-time funding for various line items - \$(3.9) million Consumer Protection, \$(1.0) million Antitrust Enforcement, \$(500,000) Risk Management.		(5,396,300)
Change from FY 22 - Budget Request	\$ 899,800	\$ (1,164,700)

Legislature - Auditor General

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Proposed Salary Adjustments	2,252,800	
 Change from FY 22 - Budget Request	 \$ 2,252,800	 \$ -

Barbering and Cosmetology Board

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) An ongoing increase of \$248,900 to the Board of Cosmetology Fund for replacing the licensing database to serve the combined functions of Board of Barbers and Board of Cosmetology	0	248,900
(2) Ongoing increase of \$212,000 and 4 FTE Positions to the Board of Cosmetology Fund for hiring 4 customer service representatives.	0	212,000
Change from FY 22 - Budget Request	\$ -	\$ 460,900

Board of Behavioral Health Examiners

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Hire new Administrative Assistant II, Administrative Assistant III, and Investigator (3 FTEs); OF funded via Behavioral Health Examiner Fund	0	206,100
Change from FY 22 - Budget Request	\$ -	\$ 206,100

Arizona State Board for Charter Schools

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Board staff support - ongoing appropriation of \$946,3460. Request would fill 4 vacant FTE Positions. Request would also increase salaries for the 20 filled FTE Positions	946,360	0
(2) Assistant Attorneys General - fund two full time attorneys beginning in FY 23 to support the agency and represent the Board in legal matters	242,400	0
(3) Financial Auditors - ongoing appropriation to contract with a third-party auditor to assist staff with financial review of charters	456,000	0
Change from FY 22 - Budget Request	\$ 1,644,760	\$ -

Department of Child Safety

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Licenced Foster and Kinship Care Supports: Increase daily rate for kinship caregivers from \$2.47 to \$10 and increase average daily allowance for foster and kinship families from \$1.41 to \$2.82; OF funded via DCS Expenditure Authority Fund [1]	23,984,000	1,800,000
(2) Adoption Caseload Growth 3.0% in FY 23; OF funded via DCS Expenditure Authority Fund [2]	0	11,100,000
(3) Visitation Aide Expansion: addition of 176 FTE (160 case aides/16 case leads) to home visitation program. Transitioning away from contracting for these services. [3]	0	0
(4) Increasing DCS Expenditure Authority limits to claim available Federal funding [5]	0	14,900,000
(5) Enterprise Compensation Strategy - amount to be determined [7]	0	0
Change from FY 22 - Budget Request	23,984,000	27,800,000
<u>FY 22 Supplementals</u>		
Increasing DCS Expenditure Authority to claim available Federal funding [4]	0	15,100,000
Adoption Caseload Growth 1.8% in FY 22; OF funded via DCS Expenditure Authority Fund [6]	0	3,300,000

Note: Numbers in brackets represent agency's ranking of policy issues by priority.

Board of Chiropractic Examiners

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Consultant to determine scope of work for future e-licensing platform; OF funded via Chiropractic Examiners Board Fund.	0	55,000
Change from FY 22 - Budget Request	\$ -	\$ 55,000

Arizona Commerce Authority

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Remove one-time Arizona Competes Fund deposit	(55,000,000)	
(2) Additional marketing costs	1,000,000	
(3) Remove one-time Rural Broadband Grant Fund funding		(1,811,000)
(4) Remove one-time Blockchain/Wearable Research funding	(5,000,000)	
(5) Increase Blockchain/Wearable Researching funding	5,000,000	
(6) Remove one-time Frankfurt, Germany Trade Office funding	(250,000)	
(7) Increase Frankfurt, Germany Trade Office funding	250,000	
Change from FY 22 - Budget Request	\$ (54,000,000)	\$ (1,811,000)

Note: Lines 4-7 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Arizona Community Colleges

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request.</u>		
(1) Operating State Aid for rural districts. Unaudited weighted rural FTSE count decreased by (3,696), or (14.2)%. Continues to exclude Maricopa and Pima.	(2,454,600)	
(2) Equalization Aid. Assumes 5.38% NAV growth.	2,423,500	
(3) Remove one-time STEM and Workforce Programs Aid for Maricopa and Pima.	(2,000,000)	
(4) Fully fund STEM and Workforce Programs Aid, including for Maricopa, Pima, and Pinal.	10,371,200	
(5) Remove one-time rural aid.	(14,000,000)	
(6) Increase rural aid.	14,000,000	
(7) Remove one-time urban aid.	(13,000,000)	
(8) Increase urban aid.	13,000,000	
Change from FY 22 - Budget Request	\$ 8,340,100	\$ -

Note: Lines 5-8 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Corporation Commission

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Increase salaries for railroad inspectors and hire a full-time hazardous materials inspector	196,000	
(2) Increase revenue to the Utility Regulatory Revolving Fund through higher utility assessments		3,100,000
Change from FY 22 - Budget Request	\$ 196,000	\$ 3,100,000

Department of Corrections

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) IT Projects - Bandwidth upgrade and router replacement (\$2,696,700); enterprise reporting system (\$604,900); and document digitization services (\$602,700)	3,904,300	0
(2) Retain Substance Abuse Treatment funding	5,000,600	0
(3) Backfill Prison Construction and Operations Fund (PCOF) with GF due to declining revenue	2,000,000	(2,000,000)
(4) Expand Arizona Correctional Industries (ACI) to add programs in automotive repair and agricultural trades	6,523,000	0
(5) Enterprise Compensation Strategy - amount to be determined	0	0
(6) One-time funding to replace 200 vehicles, about 10% of ADC's total fleet	8,500,000	0
(7) Expand the existing Therapeutic Community program at ASPC-Tucson to at least one more location to treat inmates needing a high level of substance abuse treatment	1,000,400	0
(8) Install infrastructure for wireless internet across all prisons (\$26 million) and purchase 13,000 laptops for inmate education (\$13 million)	39,000,000	0
(9) Technical and one-time funding adjustments	(38,787,300)	(400,000)
(10) CORP/ASRS adjustment - amount to be determined	0	0
Change from FY 22 - Budget Request	\$ 27,141,000	\$ (2,400,000)

Arizona Criminal Justice Commission (ACJC)

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Shift \$400,000 of DPS Victim of Crime Act administrative funds to ACJC to support yearly maintenance cost of a statewide victim notification system. Listed as VCAF appropriation.	0	400,000
(2) Reduce Victim Compensation and Assistance Fund appropriation level to align with revenue projections.	0	(1,534,600)
(3) Reduce State Aid to County Attorneys Fund appropriation level to align with revenue projections.	0	(223,700)
(4) Remove one-time funding for cross-system recidivism tracking database.	(1,000,000)	0
Change from FY 22 - Budget Request	\$ (1,000,000)	\$ (1,358,300)

Arizona State Schools for the Deaf and the Blind

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u> (1) LEA Status Change - Hire 5 one-on-one nurses for Phoenix Campus and fund transportation expenses for an additional 95 students.	1,346,106	0
Change from FY 22 - Budget Request	\$ 1,346,106	\$ -

Arizona Commission for the Deaf and the Hard of Hearing

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>	0	0
(1) 4 FTE Positions Authority within current available operating budget (Accounts Payable Accountant, Staff Interpreter, Media Communications Specialist, Family and Youth Engagement Coordinator).		
Change from FY 22 - Budget Request	\$ -	\$ -

State Board of Dental Examiners

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Administrative Assistant III (1 FTE) to assist with processing license renewals; OF funded via Dental Board Fund	0	64,600
(2) Adobe products cost increase; OF funded via Dental Board Fund	0	6,100
(3) Annual leave payout for 1 FTE who may retire in FY 23; OF funded via Dental Board Fund	0	13,400
(4) E-licensing application system and database; OF funded via Dental Board Fund	0	34,100
(5) Shared office space for dental investigator contractors; OF funded via Dental Board Fund	0	4,200
Change from FY 22 - Budget Request	\$ -	\$ 122,400

Office of Economic Opportunity

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Add 1 new FTE Position and funding for new state-level economic and workforce research.	150,000	0
Change from FY 22 - Budget Request	\$ 150,000	\$ 0

Department of Economic Security

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) IT Infrastructure and Security - Improve IT infrastructure and security including 24-hour security monitoring, disaster recovery, network and firewall equipment updates, and 4 FTE positions for security staffing. FY 23 costs include \$453,800 in ongoing costs for security staffing with an additional \$2.0 million ongoing in FY 24. [9]	4,759,200	0
(2) Enterprise Compensation Strategy - amount to be determined [10]	0	0
(3) Adult Protective Services (APS) growth - Estimated increase of 31,496 cases, or 15.6% for FY 23. Would support maintaining investigator to caseload ratio of 1:25 by hiring 67 new staff members, including 51 new investigators. Also includes \$2.9 million toward a projected FY 22 shortfall. [2]	8,206,400	0
(4) Friends of the Farm - \$500,000 GF to continue and expand the program, which supports local farmers and addresses food insecurity. [7]	500,000	0
(5) ARPA DDD home and community based services funding - Federal Expenditure Authority associated with temporary 10% federal match increase for HCBS. Reflects DD share only. [3]	0	280,000,000
(6) DDD Caseload and Capitation Growth - Assumes 5.0% caseload growth, 1.2% capitation growth, FFY 23 FMAP of 69.06%. OF includes SFLTC (\$800,000), and federal expenditure authority (\$49.7 million). Includes \$82 million for expiration of enhanced FMAP. [4]	108,210,000	50,500,000
(7) DDD Early Intervention Program Rate Increases - Maintain the temporary ARPA provider rate increases by increasing rates to 80% of market rates from the 2019 rebase study for therapies. Continue at 75% of market rates for all other services. Ongoing increase of \$1.0 million starting in FY 23 and an additional \$3.4 million ongoing starting in FY 24. [5]	1,000,000	0
(8) DDD Increase Expenditure Authority - Increase expenditure authority to load funding for DD programs, reimbursed once Title XIX funding is leveraged. [8]	0	0
(9) DDD Eligibility Determinations - Increase the AHCCCS appropriation for DES Administration Pass Through for costs related to eligibility services. [11]	0	0
(10) Unemployment insurance (UI) benefits system modernization - Total cost of \$73.5 million with federal legislation expected to provide \$29.7 million and Department UI administration funding expected to provide \$10.7 million. [1]	33,113,200	0
(11) Therapeutic Community and Prison in Reach programs. [6]	1,050,000	0
(12) Technical Adjustments - Update the Workforce Innovation Opportunity Act funding amount from \$56.1 million to \$95.6 million based on the 2021 award amount. Remove funding for the following FY 22 one-time expenditures: \$7.5 million for Return to Work Grants, \$14.5 million for Pandemic Emergency Assistance, and \$1.1 billion for Child Care Subsidies. [12]	(7,500,000)	(1,061,327,200)
(13) Remove one-time After School and Summer Youth Program funding.	(500,000)	0
(14) Increase funding for After School and Summer Youth Program.	500,000	0

(15) Remove one-time Area Agencies on Aging funding.	(1,474,000)	0
(16) Increase funding for Area Agencies on Aging.	1,474,000	0
Change from FY 22 - Budget Request	\$149,338,800	\$ (730,827,200)

Note: Numbers in brackets represent agency's ranking of policy issues by priority.

Note: Lines 13-16 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

State Board of Education

General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
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Budget Request

1,089,800

(1) Increases in staffing. Includes funding for 3 Assistant Attorney Generals and 2 FTE Positions for administrative assistance in adjudication of educator misconduct; 2 FTE positions for policy development and implementation; 1 FTE Position for constituent services; and 1 FTE Position for administrative assistance in ESA appeals cases. Also includes \$109,000 for salary increases in the Investigations Unit.

Change from FY 22 - Budget Request

\$ 1,089,800	\$ -
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Department of Education

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Increase testing budget to account for testing contract costs for Arizona's Academic Standards Assessment (AASA) (formerly known as "AzMERIT").	4,000,000	
(2) Adds 2 new FTE Positions to the Teacher Certification Unit to address an increase in workload associated with processing certification applications.	142,400	
(3) Adds funding to Read on Arizona program to increase technical support for early literacy programs in Arizona.	150,000	
(4) Replaces federal COVID funds with state funds for 4 FTE Positions within the Office of Indian Education, which provides schools with services related to education of Native American pupils, including evaluation of curricula and instructional materials, reporting, and other technical assistance. Increases state funding level to \$1 million and 7 FTE Positions in FY 24.	500,000	
(5) Provides 5% salary increase for 202.9 state-funded FTE Positions within ADE.	650,000	
(6) Remove one-time funding from FY 2022 for Achievement Testing.	(5,000,000)	
(7) Increase funding for Achievement Testing,	5,000,000	
(8) Remove one-time funding for Gifted Assessments.	(850,000)	
(9) Increase funding for Gifted Assessments.	850,000	
(10) Remove one-time funding for an Extraordinary Special Education Needs Fund Deposit.	(5,000,000)	
(11) Increase funding for an Extraordinary Special Education Needs Fund Deposit.	5,000,000	
Change from FY 22 - Budget Request	\$ 5,442,400	\$ -

Note: Lines 6-11 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Department of Emergency and Military Affairs

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) State match for Arizona National Guard facility maintenance and operations increase (25-50% required match).	1,670,000	0
(2) State match for deferred maintained backlog at Army National Guard Readiness Centers and Readiness Center support facilities (25-50% required match).	10,295,300	0
(3) State match to meet Master Cooperative Agreement matching requirements for employee related expenses on facility maintenance costs.	695,000	0
(4) General Fund authorization for use if the Governor activates the National Guard in response to local requests or a state of emergency.	1,000,000	0
(5) Adjustment to the Nuclear Emergency Management Fund pursuant to Laws 2021, Chapter 71.	0	57,000
(6) Remove one-time funding for National Guard aircraft communication equipment.	(220,500)	0
(7) Increase funding for National Guard aircraft communication equipment.	220,500	0
(8) Remove one-time deposit to the National Guard Cyber Response Revolving Fund.	(300,000)	0
(9) Increase funding for a deposit to the National Guard Cyber Response Revolving Fund.	300,000	0
Change from FY 22 - Budget Request	\$ 13,660,300	\$ 57,000

Note: Lines 6-9 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Department of Environmental Quality (DEQ)

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
Budget Request		
(1) Address sunset audit findings for Water Quality Division regarding the monitoring of groundwater standards and a Water Quality Fee Fund structural deficit in FY 23 with Water Quality Fee Fund increase plus additional staff (17.5 GF FTE Positions) and a one-time GF transfer.	4,635,000	3,430,000
(2) Address sunset audit findings and develop new solid waste rules with Solid Waste Fee Fund increase including 2 additional FTE Positions.	0	380,100
(3) Shift Underground Injection Control Program from the EPA with Water Quality Fee Fund increase and one-time GF transfer to establish program startup with 3.2 additional FTE Positions.	233,500	467,000
(4) Shift Coal Combustion Residual Program from the EPA with Solid Waste Fee Fund increase and one-time GF transfer to establish program startup with 2 additional FTE Positions.	407,200	159,000
(5) Respond to impacts of drought and drinking water contaminants and address a Water Quality Fee Fund structural deficit in FY 23 with Water Quality Fee Fund increase plus 7 additional FTE Positions in the Water Quality Division and one-time GF transfer.	1,012,500	683,000
(6) Develop new program to identify and attempt to reduce groundwater contaminants from chemicals contained in foams used for firefighting with one-time Emergency Response Fund increase.	0	545,300
(7) Address backlog of State Implementation Plans used to implement and enforce Federal Air Quality Standards with Air Quality Fee Fund increase and 2 additional FTE Positions.	0	458,900
(8) Establish new grant program to facilitate the use and processing of tree biomass waste diverted from landfills with one-time Recycling Fund increase.	0	1,194,300
(9) Remove funding from Underground Storage Tank (UST) Revolving Fund for UST Policy Commission and Technical Appeals Panel, which were repealed during the 2015 Legislative session.	0	(148,800)
(10) Remove one-time Hazardous Waste Program funding.	0	(604,000)
(11) Increase Hazardous Waste Program funding.	0	604,000
(12) Remove one-time Surface Water Program funding.	0	(1,160,000)
(13) Increase Surface Water Program funding: \$560,000 from Voluntary Vehicle Repair and Retrofit Program Fund, \$400,000 from Safe Drinking Water Program Fund, and \$200,000 from Recycling Fund	0	1,160,000
Change from FY 22 - Budget Request	\$ 6,288,200	\$ 7,168,800

Note: Lines 10-13 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

State Board of Equalization

Budget Request

(1) Replace computer system for the appeals process.

Change from FY 22 - Budget Request

General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
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75,000

\$ 75,000 \$ -

Board of Executive Clemency

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) 1 FTE for a Chief Operating Officer	82,500	0
(2) 0.5 FTE for a Hearing Officer for revocation cases. Caseload increase expected due to a 2020 court decision expected to establish 269 inmates with eligibility for parole.	54,600	0
(3) Increase compensation for 4 board members from \$67,443 to \$84,157 and increase chairman compensation from \$91,000 to \$113,750.	89,600	0
Change from FY 22 - Budget Request	\$ 226,700	\$ -

Arizona Exposition and State Fair Board

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		526,500
(1) Ongoing increase for temporary employee compensation for the state fair and interim events		
(2) Ongoing increase to salaries for both new and current full-time employees		315,100
(3) Capital improvements to Coliseum and fairgrounds	2,000,000	1,000,000
Change from FY 22 - Budget Request	\$ 2,000,000	\$ 1,841,600

Department of Forestry and Fire Management

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Revolving Fire Fund deposit for fire suppression	20,000,000	
(2) 3 new Fire Marshall FTEs	343,200	
(3) Healthy Forest Initiative - 2nd year of funding to complete the phase-in of the initiative as envisioned by the FY 2022 budget. Adds funding for: 1) fire mitigation personnel and operating costs, 2) inmate crews, 3) fire crew vehicle purchase and operating costs and 4) contracted hazardous vegetation.	38,200,000	
(4) Remove One-Time Funding for Rural Fire District Reimbursements	(2,500,000)	
(5) Increase Funding for Rural Fire District Reimbursements	2,500,000	
Change from FY 22 - Budget Request	\$ 58,543,200	\$ -

Note: Lines 4-5 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

State Board of Funeral Directors and Embalmers

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Add Full-Time Personnel (1 FTE) by adding Senior Investigator to assist with increased number of complaints and improve time to resolution and shift quarter time administrative assistant position to full-time to improve general office efficiency and applications processing.	0	102,800
(2) Quarter-Time Personnel. Proposed as an alternative allowing agency to create a second quarter time FTE investigator position in lieu of funding issue #1.		29,200
(3) ISA with Attorney General's Office	0	26,900
(4) Remove one-time funding for technology updates	0	(9,600)
Change from FY 22 - Budget Request	\$ -	\$ 149,300

Arizona Game and Fish Department

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Statewide Drought Response and Mitigation funding increase from the Game and Fish Fund. Funds equipment, water basin renovations, and water hauling budget.		1,490,400
Change from FY 22 - Budget Request	\$ -	\$ 1,490,400

Department of Gaming

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Racing Regulation Appropriation Increase. Under Arizona regulations, racetracks have 2 veterinarians on-site: one provided by the Department's racing division to conduct testing and one employed by the racetrack to conduct pre-race examinations. Request would fund 2 contracted positions to improve pre-race examinations - a veterinarian and a veterinarian assistant.	0	175,000
Change from FY 22 - Budget Request	\$ -	\$ 175,000

Department of Health Services

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) COP payment increase for DHS office building and parking garage	134,700	0
(2) Contract increases for dietary services (\$920,000), pharmacy services (\$244,000), AG legal services (\$123,200), and ADOA facility maintenance services (\$114,300)	1,401,500	0
(3) Enterprise Compensation Strategy - amount to be determined	0	0
Change from FY 22 - Budget Request	\$ 1,536,200	\$ -
<u>FY 22 Supplementals</u>		
Make the Nursing Care Institution Protection Revolving Fund non-appropriated or increase appropriation to fund one-time nursing care projects approved by CMS	0	41,500
Arizona State Hospital ligature point corrections from the ASH Land Fund	0	302,000
Contract increases for dietary services (\$920,000), pharmacy services (\$244,000), AG legal services (\$123,200), and ADOA facility maintenance services (\$114,300)	1,401,500	0

Arizona Historical Society

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Replace 24-year old freezer used to store nitrate film.	30,000	0
(2) Phase 1 of a high density storage system project, including procurement, installation, and related preservation supplies.	300,000	0
(3) 1 FTE for an IT Manager (\$84,000) and technology hardware refresh (\$58,900) to cycle out hardware that is 4 years old.	142,900	0
(4) Digitized asset system to store, preserve, and present archival materials. Includes infrastructure, software license, cloud storage, and universal web portal for public use.	13,400	0
(5) Fund ongoing cost of business services currently paid from other funds. Other funds would then be used to provide other programming.	250,000	0
(6) 0.5 FTE for a Guest Experience Specialist at Sanguinetti House Museum (\$49,000) and 1 FTE for a Publications Specialist for the Journal of Arizona History magazine (\$62,000).	111,000	0
(7) Increase funding to Field Services and Grants SLI to increase the number and value of grants.	45,400	0
(8) Strategic marketing with intent to mitigate loss of visitors and museum closures due to COVID-19.	57,600	0
Change from FY 22 - Budget Request	950,300	0

Prescott Historical Society

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) 1 FTE Position to manage development operations and increase revenues from major donors	72,800	0
(2) Employee compensation increases	50,000	0
Change from FY 22 - Budget Request	\$ 122,800	\$ -

Department of Homeland Security

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Transfer Statewide Information Security and Privacy Operations line item from the Arizona Department of Administration to the Department of Homeland Security.	0	6,366,700
(2) One-time Cyber Security Funding: for a risk assessment pilot, upgrading a data aggregation device, an analysis of IT infrastructure, a web application risk test, intelligence upgrades, training, and professional services.	0	1,190,500
(3) Increase the Cyber Security Pro Rata Rate: to account for the increased cost of software and staffing of the security program. Includes 4 FTE positions 2 of which would be Information Security Engineers and 2 would be Tanium Administrators.	0	4,200,000
Change from FY 22 - Budget Request	\$ -	\$ 11,757,200

Industrial Commission of Arizona

Budget Request

(1) Back out one-time funding - FY 22 included a \$95,000 increase for the administration of the Municipal Firefighters Cancer Reimbursement Fund. \$15,000 of this was one-time funding.

Change from FY 22 - Budget Request

<u>General Fund</u>	<u>Other Fund</u>
<u>FY 23 Change</u>	<u>FY 23 Change</u>
<u>Above FY 22</u>	<u>Above FY 22</u>

(15,000)	0
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\$ -	\$ -
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Department of Insurance and Financial Institutions

Budget Request

- (1) Funding to implement mental health parity statutory program
- (2) Hire a full-time insurance division actuary
- (3) Hire a full-time financial institutions examiner
- (4) Licensing information technology system upgrade

Change from FY 22 - Budget Request

General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
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143,200	0
142,000	0
0	94,000
0	500,000

\$ 285,200	\$ 594,000
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Judiciary

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Judge salary/ERE increase - funds a 15.0% salary increase.	2,217,500	0
(2) Increase staff salaries by 5.0% and provide market adjustments.	4,404,900	0
(3) General Fund increase for the Automation line item to offset reduced revenue from the Judicial Collections Enhancement Fund and Defensive Driving Fund. (Supreme Court)	2,500,000	0
(4) Court Appointed Special Advocate Fund increase for the Automation line item to update the Dependent Children Automated Tracking System (DCATS). (Supreme Court)	0	300,000
(5) General Fund increase for the Automation line item to fund the non-Maricopa County portion of ongoing licensing and maintenance costs for a new Adult Probation Case Management System. (Supreme Court)	800,000	0
(3) Increase probation line items for prospective 2.8% salary/ERE increase in FY 23 for adult and juvenile probation officers. (Superior Court)	1,374,600	0
(4) Probation Incentive Payments placeholder - amount to be determined. (Superior Court)	0	0
(5) Remove one-time Probation Officer Vehicles funding. (Superior Court)	(187,500)	0
(6) Increase Probation Officer Vehicles funding: continue the one-time FY 22 appropriation for new probation officer vehicles. (Superior Court)	187,500	0
Change from FY 22 - Budget Request	\$ 11,297,000	\$ 300,000

Note: Lines 5-6 for the Superior Court are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Department of Juvenile Corrections

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Enterprise Compensation Strategy - amount to be determined.	0	0
Change from FY 22 - Budget Request	\$ -	\$ -

Arizona State Land Department

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Enterprise Compensation Strategy - amount to be determined [2]	0	0
(2) CAP Water Fees. Fees will increase to \$56 per acre-foot in FY 2023 resulting in an increase to \$1,796,300 from \$1,700,000 in FY 2022. Department proposes making SLI non-lapsing to minimize need for supplementals. [3]	96,300	0
(3) Replace Custom Enterprise Resource Planning (ERP) System. Migrate 11 remaining major business processes on the legacy ERP system to new system to finish multi-year project in progress since FY 2018. OF funded via Trust Land Management Fund. [4]		1,500,000
(4) Creighton Dam Repair for erosion repair to the base and sides of the dam, which is located on leased state trust land. Total design and repair cost is \$2,047,200 with \$1,845,000 estimated for the repair and the remainder for design, engineering, and technical needs for the project. [5]	2,000,000	0
Change from FY 22 - Budget Request	\$ 2,096,300	\$ 1,500,000

FY 22 Supplementals

Agency Operations Shortfall requesting \$1.5 million from Trust Land Management Fund for assistance for commercial projects pursued by Arizona Commerce Authority and other projects not known to the Land Department during development of the FY 2022 operating budget. Department incurred additional costs for external professional services such as conceptual planning, infrastructure studies, legal services, cultural and environmental analysis, and coordination with municipalities. [1]

Department of Liquor Licenses and Control

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Law Enforcement Equipment and Training - \$35,500 ongoing for ammunition, radios and training; \$149,500 for one-time equipment and repairs. All from the Liquor Licenses Fund.	0	185,000
(2) Over-Service Investigations of Alcohol Related Collisions - Fill 7 vacant positions to investigate instances related to vehicle collisions. \$620,800 is one-time. All from the Liquor Licenses Fund.	0	1,797,200
(3) Information Technology Improvements - To improve security and comply with state and federal CJIS requirements. \$43,300 is one-time. All from the Liquor Licenses Fund.	0	106,600
(4) Enterprise Compensation Strategy - amount to be determined	0	0
(5) Overtime - \$86,400 from the Liquor Licenses Fund for compensating overtime worked by employees that the department determines as essential workers.	0	86,400
(6) Underfunded Administrative Costs - Increase of \$64,800 from the Liquor Licenses Fund for administrative costs that the department states are underfunded.	0	64,800
(7) Reduction FY 22 One-Time Budget Item - Back out one-time appropriation of \$(200,000) from the Liquor Licenses Fund for To-Go Cocktail Licenses automation.	0	(200,000)
Change from FY 22 - Budget Request	\$ -	\$ 2,040,000

Arizona Lottery Commission

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Keno Implementation - Laws 2021, Chp. 234 (gaming expansion legislation) authorized Lottery to implement an electronic Keno game at certain locations. Agency considering "outsourced" model to license operators to setup keno at eligible locations, in exchange for a percentage of ticket sales revenue. Agency request would fund 3 compliance personnel to oversee licensed keno operators, through either contracted services or interagency agreement with AZ Department of Gaming.	0	310,200
Change from FY 22 - Budget Request	\$ -	\$ 310,200

Board of Massage Therapy

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Translation Services - English language translators for board meetings	0	6,000
(2) Outside Counsel - Cost to cover drafting of new rule making	0	4,000
(3) Attorney General Legal Services - Increased use of Attorney General legal services	0	27,500
(4) Office Equipment - New equipment is requested for increased telecommuting	0	3,000
Change from FY 22 - Budget Request	\$ -	\$ 40,500

State Mine Inspector

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Increased funding for abandoned mine detection and closures	312,300	
Change from FY 22 - Budget Request	\$ 312,300	\$ -

Board of Nursing

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Equipment refresh; 25 computers and 5 monitors - would replace equipment for 25 of the 64 employees; OF funded via Nursing Board Fund.		60,800
(2) Reclassify 1 FTE Accountant 1 position to Accountant 3 due to the board's needs due to staff turnover; OF funded via Nursing Board Fund.		17,500
(3) Reclassify 2 FTE legal secretaries from Secretary 1 position to Legal Secretary 2 due to increased job responsibilities due to remote work; OF funded via Nursing Board Fund.		14,900
(4) Reclassify 7 FTE Nurse Practice Consults to N2 Nurse Manager positions to match state average pay for nurses with the same experience; OF funded via Nursing Board Fund.		192,900
(5) Reclassify 1 FTE Program Manager Position from grade 20 to grade 23; OF funded via Nursing Board Fund.		29,100
(6) Reclassify 1 FTE Investigative Program Administrator II to Investigative Program Administrator III; OF funded via Nursing Board Fund.		32,200
(7) Reclassify (1) 0.25 FTE and (1) 0.5 FTE Education Program Administrator I to Education Program Administrator III; OF funded via Nursing Board Fund.		101,800
(8) Reclassify (1) Education Program Administrator I to Program Administrator II; OF funded via Nursing Board Fund.		27,700
Change from FY 22 - Budget Request	\$ -	\$ 476,900

**Board of Examiners of Nursing Care Institution
Administrators and Assisted Living Facility Managers**

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Additional Office Space - Ongoing funding to rent an unused conference room	0	4,500
Change from FY 22 - Budget Request	\$ -	\$ 4,500

Board of Occupational Therapy Examiners

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Executive Director salary increase	0	7,000
(2) New Laptops for Board Members - Agency requests to replace all 5 laptops which are approximately 11 years old	0	9,800
Change from FY 22 - Budget Request	\$ -	\$ 16,800

State Board of Optometry

General Fund	Other Fund
FY 23 Change	FY 23 Change
Above FY 22	Above FY 22

Request is currently being revised

Arizona Board of Osteopathic Examiners in Medicine and Surgery

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Additional Investigations Staff (1 FTE) - Would assist with adjudication process; OF funded via Board Fund	0	60,300
(2) Cloud Enterprise and Managed Services - To cover Board's share of development/maintenance costs associated with Arizona Medical Board's modernization project; Board Fund	0	207,000
(3) Outside Medical Consultant Services - For review of specialty cases; assumes increase of 50 cases annually; Board Fund	0	15,000
(4) One-Time Annual Leave Payout - Employee scheduled to retire in FY 23 with payouts of \$11,000 annual leave, \$21,000 sick leave, and \$7,200 ERE; Board Fund	0	39,200
(5) Adobe Software Licensing Cost Increase; Board Fund	0	4,000
Change from FY 22 - Budget Request	\$ -	\$ 325,500

Arizona State Parks Board

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Remove one-time funding for Arizona Trail	(250,000)	
(2) Remove one-time transfer from SPRF to State Parks Store Fund	(1,000,000)	
(3) Remove one-time cabin debt payoff	(528,400)	
(4) Remove one-time transfer from Off-Highway Vehicle Recreation Fund	(16,700)	
Change from FY 22 - Budget Request	\$ (1,795,100)	\$ -

Board of Physical Therapy Examiners

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Increase staffing by 0.25 FTE's for 2 positions for a total increase of 0.5 FTE Positions	0	14,000
(2) Increase all staff salaries by 6%	0	17,900
Change from FY 22 - Budget Request	\$ -	\$ 31,900

Arizona Pioneers' Home

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Ongoing Wage Increase for 103 FTE Positions; OF funded via Pioneers' Home State Charitable Earnings Fund.	0	645,000
(2) Contracted Medical Director Cost Increase; OF funded via Pioneers' Home State Charitable Earnings Fund.	0	5,000
(3) Building Maintenance Tech 1; OF funded via Pioneers' Home State Charitable Earnings Fund.	0	40,600
(4) Equipment for IT Strategic Plan; OF funded via Pioneers' Home State Charitable Earnings Fund.	0	39,200
Change from FY 22 - Budget Request	\$ -	\$ 729,800

State Board of Psychologist Examiners

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Increased operating costs, primarily due to increase in number of licenses regulated	0	30,200
(2) Out of State Telehealth Registry - Agency requests personnel costs and an additional 0.25 FTE Positions	0	20,000
Change from FY 22 - Budget Request	\$ -	\$ 50,200

Department of Public Safety

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Helicopter replacement - Ongoing funding to replace 2 Bell 407 with 2 Bell 429 helicopters, assumes 2-year lease payment agreement, trade-in credit of \$843,300, and 10-year replacement cycle (replace 1 helicopter every 2 years starting in FY 2025)	9,934,400	0
(2) Vehicle replacement - Ongoing funding to increase vehicle replacement budget from \$5.5 million to \$17.2 million, assumes new line item to replace 276 vehicles annually (261 sworn and 15 civilian)	11,709,300	0
(3) Inflation and equipment funding - Ongoing funding to cover increased operating and equipment costs for ACTIC, crime lab, IT, and telecommunications	10,510,800	0
(4) Communications equipment for body camera program - Ongoing funding to annually replace mobile routers, antennas, modems for uploading footage remotely; includes cellular service costs	2,812,000	0
(5) Wireless services equipment - \$3 million ongoing for annual maintenance of microwave backbone, \$1.8 million one-time for 8 digital radio suites	4,800,000	0
(6) Cadet housing allowance - Ongoing funding to house 34 cadets annually during 30-week peace officer certification training	476,000	0
(7) Public Services Portal (PSP) - Ongoing funding for maintenance and expansion of PSP services, including \$1.8 million to add the FBI's "Rap Back" program which tracks criminal activity	3,000,000	0
(8) Rapid DNA program - \$550,000 ongoing for 5 FTE Positions and \$850,000 one-time for additional supplies and equipment for new Rapid DNA program	1,400,000	0
(9) Backfill State Aid to Indigent Defense Fund monies reduced from DPS budget in FY 22	700,000	0
(10) Facilities management program continuation - One-time funding to cover DPS share of computer program cost, the program will be operated by ADOT; assumes \$53,200 ongoing in FY 24	37,400	0
(11) Highway Patrol Fund Backfill - One-time funding to backfill the loss of revenues from highway safety fee refunds issued by ADOT (pursuant to the FY 22 Transportation BRB)	10,000,000	0
(12) Remove FY 22 one-time funding assumed in the 3-year budget plan. \$(59.2) million OF relates to one-time issues funded from the Arizona Highway Patrol Fund: \$6.9 million for body camera equipment, \$48.2 million for the microwave backbone radio system upgrade, \$2.9 million for active shooter equipment and \$1.2 million for AZPOST support.	(4,350,000)	(59,213,600)
Change from FY 22 - Budget Request	\$ 51,029,900	\$ (59,213,600)

9/20/2021

Residential Utility Consumer Office

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Additional staff attorney to act as a ratepayer representative	100,000	
Change from FY 22 - Budget Request	\$ 100,000	\$ -

Arizona State Retirement System

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Cloud Migration - Fund ongoing permanent cloud migration costs to move data, systems, servers, and processes from current physical data center to a cloud environment. ASRS request would result in total funding of \$929,400 compared to the \$775,000 funded in the FY 22 budget.	0	154,400
(2) Technology Services - Ongoing funding to hire 2 Senior Developer positions to address production support and development needs.	0	340,000
(3) Service Management Software - The agency's preferred service management and intranet software will no longer be supported unless it is moved to the cloud. Of the \$130,600 total request, \$65,400 is for ongoing software costs and \$65,200 is for one-time cloud migration costs.		130,600
Change from FY 22 - Budget Request	\$ -	\$ 625,000

Department of Revenue

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Integrated Tax System Project - Arizona Tax Liability Administration System (ATLAS)	11,801,200	8,870,100
• First of six year funding proposal to purchase off the shelf system for total of \$104.8 million to replace pre-2000 system.		
• \$20.6 million in GF and OF shown for FY 2023 includes \$4.3 million for DOR staffing costs, \$4.6 million for professional and outside services, \$2.4 million for equipment, and \$9.3 million for other operating expenses (primarily the initial licensing cost).		
• FY 23 OF: \$8.6 million DOR Administrative Fund and \$289,400 Tobacco Tax and Health Care Fund		
• Estimated annual costs for FY 2024 - FY 2027 range from \$22.5 to \$22.7 million annually.		
• Future year costs would be split between approximately \$13 M GF and \$10 M cost sharing with local governments/non-GF state revenue sources (such as Education Sales Tax and Prop 207).		
(2) Remove one-time Income Tax Information Technology funding to implement Laws 2021, Chp. 425	(466,300)	
(3) Increase Income Tax Information Technology funding	466,300	
Change from FY 22 - Budget Request	\$ 11,801,200	\$ 8,870,100

Note: Lines 2-3 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.

Secretary of State

	<u>General Fund FY 23 Change Above FY 22</u>	<u>Other Fund FY 23 Change Above FY 22</u>
<u>Budget Request</u>		
(1) Election Services Expenses - To fund statutory election expenses and other elections items, including temporary/seasonal staff, an emergency poll worker program, and voter education	10,595,600	
(2) Agency Administration - Hire 3 FTE to support elections and administration, including 2 customer service representatives and 1 budget analyst	185,600	
(3) Appropriate Remaining HAVA Election Security Grant (\$1.5 million); OF funded via Election Systems Improvement Fund		1,514,500
(4) Increase Records Services Fund Appropriation - To cover contractual expenses associated with records storage; OF funded via Record Services Fund		105,600
(5) Legal Services Program (5 FTE) - To fund an in-house legal department to represent SOS: 1 General Counsel, 2 Staff Attorneys, 1 Paralegal, 1 Legal Fellow. Plus \$100k for expert witnesses/outside consultants.	715,300	
(6) Preservation of Permanent Records - To fund secure storage of electronic records; would be deposited into the Electronic Records Repository Fund	1,000,000	
(7) New Fund Source for Address Confidentiality Program - Program currently funded with court fines for domestic violence and stalking offenses	350,000	
 Change from FY 22 - Budget Request	 \$ 12,846,500	 \$ 1,620,100

Board of Technical Registration

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) eLicensing Transition - \$200,000 from the Technical Registration Board Fund for the implementation of a new eLicensing platform.	0	200,000
(2) Sound System Installation - \$60,000 in one-time funding from the Technical Registration Board Fund for the purchase and installation of a sound system in the board room.	0	60,000
Change from FY 22 - Budget Request	\$ -	\$ 260,000

Department of Transportation

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Highway maintenance, new lane miles - Ongoing funding for 93 new highway lane miles (52 urban miles and 41 rural miles); funded via State Highway Fund (SHF)	0	1,399,900
(2) Highway maintenance, Loop 202 - Ongoing funding for annual increase in developer maintenance costs for Loop 202 South Mountain freeway; funded via SHF	0	16,900
(3) Driver license and license plate volume increase - Ongoing funding for anticipated 4.1% growth in driver license production and 3% growth in license plate production; funded via SHF	0	1,035,700
(4) Enterprise Compensation Strategy - amount to be determined	0	0
(5) Driver license software upgrade - \$161,000 ongoing from the SHF and \$998,500 one-time from the Motor Vehicle Liability Insurance Enforcement Fund to upgrade aging driver license security software	0	1,159,500
(6) Field Office Automated System (FAST) replacement - One-time funding to begin the replacement of FAST (construction contract management IT system), assumes additional funding in FY 24 and FY 25 of between \$3.4 million and \$5.8 million; funded via SHF	0	300,000
(7) Travel ID volume increase - Ongoing funding for 83 FTE positions to address increased issuance of Travel IDs before the deadline of May 3, 2023; funded via SHF	0	4,554,300
(8) ADOT vehicle replacement budget increase - Ongoing funding to increase the department's vehicle replacement line item; funded via SHF	0	7,100,000
(9) MVD security upgrade phase 1 - \$730,700 ongoing and \$201,200 one-time from the Motor Vehicle Liability Insurance Enforcement Fund to upgrade security equipment (alarms, video surveillance) at 11 MVD locations statewide, assumes ongoing funding for 10 additional MVD locations in FY 24		931,900
(10) Risk management premium adjustment	0	(9,341,100)
(11) Integrated workplace management system - \$199,400 one-time for an upgraded facilities management system administered by ADOT, includes funding from DPS and DES, assumes \$212,600 ongoing in FY 24; funded via SHF	0	386,100
(12) Vehicle Inspection and Certificate of Title Enforcement Fund (VICTEF) backfill - \$300,000 one-time reallocation of appropriation authority from VICTEF to the Motor Vehicle Liability Insurance Enforcement Fund due to the appropriation exceeding current revenues	0	0
(13) Technical adjustment - Removes one-time General Fund vehicle license tax deposit.	(3,300,000)	0
(14) Jerome highway appropriation correction - Change the \$560,000 FY 22 appropriation from "Main Street" to "Center Avenue" in Jerome	0	0
(15) Fleet: addition of non-managed vehicles - Placeholder request to add agencies to the ADOT state fleet, department will submit a list of agencies by October 2021	0	0
Change from FY 22 - Budget Request	\$ (3,300,000)	\$ 7,543,200
<u>FY 22 Supplementals</u>		
Supplemental covers an unpaid contractor invoice from April 2017; funded via SHF	0	38,000

Universities

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Remove FY 22 one-time funding issues (ASU \$22.1 million, NAU \$9.3 million, UA \$14.6 million)	(45,937,600)	0
(2) Restore FY 22 one-time funding and redistribute for ongoing workforce development initiatives (ASU \$21.2 million, NAU \$10.1 million, and UA \$14.7 million)	46,000,000	0
(3) ASU engineering faculty, Science and Technology Centers, workforce training/corporate engagement, and lifelong learning pathways	13,300,000	0
(4) NAU health care and education programs	6,400,000	0
(5) UA program expansions - no further detail given	9,300,000	0
(6) ABOR Arizona Promise Program	25,000,000	0
(7) ABOR Yuma program expansions	10,000,000	0
(8) ABOR one-time university capital funding	50,000,000	0
Change from FY 22 - Budget Request	\$114,062,400	\$

Department of Veterans' Services

	<u>General Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>	<u>Other Fund</u> <u>FY 23 Change</u> <u>Above FY 22</u>
<u>Budget Request</u>		
(1) Fund new Yuma and Flagstaff Veterans' Homes to 25% capacity; OF funded via State Homes for Veterans' Trust Fund.	0	5,761,600
(2) 10% pay increase for Cemetery Staff, Veteran Benefit Counselors, Building Maintenance, and Healthcare workers; OF funded via State Homes for Veterans' Trust Fund.	307,300	1,807,900
(3) \$5,000 Hiring Incentives for Nursing Staff: \$1,000 after three months, \$1,500 after six months, and \$2,500 after one year; OF funded via State Homes for Veterans' Trust Fund.	0	731,300
Change from FY 22 - Budget Request	\$ 307,300	\$ 8,300,800

Arizona State Veterinary Medical Examining Board

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) E-Licensing System - Agency requests ongoing funding to procure new e-licensing system	0	24,800
(2) Compliance Inspector - Agency requests additional 1 FTE Position for veterinary compliance	0	88,000
Change from FY 22 - Budget Request	\$ -	\$ 112,800

Water Infrastructure Finance Authority

	General Fund FY 23 Change Above FY 22	Other Fund FY 23 Change Above FY 22
<u>Budget Request</u>		
(1) Small Drinking Water Systems Deposit. Remove one-time funding.	(1,000,000)	0
(2) Water Supply Development Revolving Fund Deposit. Remove one-time funding.	(6,000,000)	0
(3) Water Projects Assistance Grants. Remove one-time funding.	(5,000,000)	0
Change from FY 22 - Budget Request	\$ (12,000,000)	\$ -

Department of Water Resources

	<u>General Fund FY 23 Change Above FY 22</u>	<u>Other Fund FY 23 Change Above FY 22</u>
<u>Budget Request</u>		
(1) Application Modernization. One-time costs to initiate moving 15 applications (includes tracking, licensing and daily business processes) to a consolidated system if feasible after evaluation this fall or to hire a consultant to design an IT plan. OF is from Water Resources Fund.	0	100,000
(2) Information Technology Staff Resources. Add System Administrator Positions (2 FTE) to meet workload needs and Business Analyst (1 FTE) to produce more timely deliverables.	301,000	0
(3) Shift Water Banking Fund (WBF) spending to General Fund to increase ability of state to purchase water to meet obligations to Gila River Indian Community (GRIC). WBF has been used for operating expenses since FY 2009 and diversion of other fee revenue has also impacted ability to meet GRIC obligations.	1,219,100	(1,219,100)
(4) Assured and Adequate Water Supply (AAWS) Workload: To meet increased number of applicants and more complex hydrologic analysis, add Hydrologist III Positions (2 FTE) to AAWS staff (applications around 10 per month during 2009-2012 to about 15 per month during 2017-2019). Add additional Water Resources Manager Position (1 FTE) for the Recharge/AAWS section to focus on training staff.	317,200	0
(5) Floodplain Management Water Resources Specialist Position (1 FTE): To work on state-focused projects such as maintenance of state's flood alert system.	91,600	0
(6) Storage Area Network Replacement. Replace 2016 system that currently handles agency network/digital storage. OF is from Water Resources Fund.	0	150,000
(7) Groundwater Modeling Systems. \$75,000 from Water Resources Fund to purchase 3 computers with high capacity processing power (\$22,000 each) plus other one-time expenses. \$15,000 of ongoing funding would remain for future updates. The new computers would almost double core processing power used for running groundwater models.	0	75,000
(8) Remove one-time Water Protection Fund deposit	(1,000,000)	0
(9) Increase Water Protection Fund funding	1,000,000	0
(10) Remove one-time Agua Fria Flood Insurance Study	(350,000)	0
(11) Continue funding for Agua Fria Flood Insurance Study	350,000	0
Change from FY 22 - Budget Request	\$ 1,928,900	\$ (894,100)

Note: Lines 8-11 are JLBC Staff adjustments to reflect that the agency did not remove funding labeled as one-time in the FY 2022 budget.