

At its **November 10, 2025** meeting, the Joint Legislative Budget Committee considered the following issues:

Executive Session

Attorney General – Consideration of Proposed Settlements Under Rule 14 – The Committee approved two settlements under Rule 14, which requires Committee approval of Risk Management settlements above \$250,000 pursuant to A.R.S. § 41-621 (O).

JLBC Staff – JLBC Staff Performance Review – Per Rule 7, JLBC Staff submitted to the Committee information regarding the annual JLBC Staff performance review. The Committee took no action on this item.

Regular Agenda

Department of Administration/Automation Projects Fund – Review of ADOA A to Z Arizona State Services Access Portal – A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Automation Projects Fund (APF). The Arizona Department of Administration (ADOA) requested Committee review of the \$3.4 million FY 2026 appropriation to complete Phase I of ADOA's A to Z Arizona State Services web portal's development. The Committee gave a favorable review of the request.

Arizona Board of Regents – Review of FY 2026 Tuition Revenues – Pursuant to an FY 2026 General Appropriations Act footnote, the Arizona Board of Regents (ABOR) requested Committee review of its expenditure plan for all projected tuition and fee revenues in FY 2026. The plan allocates approximately \$3.6 billion of the estimated \$5.0 billion in gross FY 2026 tuition to operating expenditures and \$1.3 billion to financial aid, with the remainder going towards debt service and plant funds. The Committee gave a favorable review of ABOR's FY 2026 plan.

Consent Agenda

Department of Administration/Automation Projects Fund – Review of Proposed Expenditures – A.R.S. § 41-714 requires Joint Legislative Budget Committee review prior to any monies being expended from the Automation Projects Fund (APF). The Arizona Department of Administration requested committee review to spend a total of \$32.8 million from the APF on six projects as follows:

- \$5.9 million for ADOA's Human Resources Information System (HRIS) Replacement,
- \$1.8 million for ADOA State Website Migrations,
- \$1.7 million for ADOA's Business One-Stop,
- \$1.8 million for the Arizona Health Care Cost Containment System (AHCCCS) Medicaid Enterprise System (MES) Replacement,
- \$734,200 for the Department of Real Estate's IT System Replacement, and
- \$20.9 million for the Department of Revenue's (DOR) Tax System Replacement.

The Committee gave a favorable review of these projects.

Attorney General – Review of Uncollectable Debts - A.R.S. § 35-150E requires that the Attorney General's annual report on uncollectible debts owed to the state be reviewed by the Joint Legislative Budget Committee before the debt can be removed from the state accounting system. The report includes a total of \$43.0 million of debts listed as uncollectible in FY 2025 and prior years. The Committee gave a favorable review of the Attorney General's proposal.

Criminal Justice Commission – Review of Edward Byrne Memorial Justice Assistance Grant Federal Application – Pursuant to A.R.S. § 41-2403, the Arizona Criminal Justice Commission (ACJC) requested Committee review of the proposed federal application for the FFY 2025 Edward Byrne Memorial Justice Assistance Grant (JAG) administered by the United States Department of Justice. The Committee gave a favorable review of the ACJC's proposed application for FFY 2025 Edward Byrne Memorial JAG. As a part of the review, the Committee included a provision requiring ACJC to submit a preliminary proposal by May 15, 2026, if the federal guidelines have not yet been received for 2026.

Department of Education – Review of Basic State Aid Recalculation – Pursuant to § 15-915 (B), the Arizona Department of Education (ADE) requested Committee review of its recalculation of Basic State Aid for Bonita Elementary district, whose property values were affected by recent Arizona Tax Court decisions. ADE's recalculation will result in additional Basic State Aid payments of \$36,000 for FY 2025. The Committee gave a favorable review to ADE's recalculation.

Department of Education – Review of K-12 Broadband Connectivity Projects – Pursuant to A.R.S. § 15-249.07, the Arizona Department of Education (ADE) requested Committee review of its annual report on K-12 broadband connectivity construction projects. ADE reports completing \$131.1 million in broadband projects, of which \$10.4 million was spent from state funds. The Committee gave a favorable review of the report.

Department of Public Safety – Review of the Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount – Pursuant to A.R.S. § 41-172 (4)(G) and A.R.S. § 41-172 (4)(H), the Arizona Department of Public Safety (DPS) is required to submit for Committee review the entire FY 2026 expenditure plan for the GIITEM Border Security and Law Enforcement Subaccount prior to expending any monies. The Committee gave a favorable review to the department's plan.