

Selected State Expenditures on Counties
Program Summary

JLBC Staff estimates that the state distributes at least an estimated \$2.66 billion to counties annually. Sizeable distributions to counties include portions of the Vehicle License Tax (\$384 million) and the Highway User Revenue Fund (\$330 million), along with \$330 million of General Fund monies spent on the Arizona Long Term Care System (ALTCS) program in AHCCCS. Also included are the State Shared Transaction Privilege Tax (TPT) revenues – at more than \$1.4 billion, those revenues accounted for about 52.4% of total county distributions. Compared to our last report in February 2023, total distributions to counties increased by \$4.27 million, or 0.2%.

Including the TPT distribution, the Treasurer distributes \$1.43 billion to counties, or 53.6% of the total. In addition, the Department of Transportation (ADOT) allocates \$714 million, or 26.8% of the total. Other large agency contributions include AHCCCS with \$334 million (12.5%) and the Judiciary with \$112.1 million (4.2%). *Table 1* provides a summary of the amount of monies distributed to each county and the share this number represents.

<u>County</u>	<u>Amount</u>	<u>Share</u>
Apache	\$ 40.7	1.5 %
Cochise	52.4	2.0
Coconino	78.9	3.0
Gila	27.3	1.0
Graham	21.9	0.8
Greenlee	11.0	0.4
La Paz	15.7	0.6
Maricopa	1,518.9	57.1
Mohave	90.1	3.4
Navajo	68.0	2.6
Pima	363.4	13.7
Pinal	147.5	5.5
Santa Cruz	23.5	0.9
Yavapai	107.4	4.0
Yuma	79.8	3.0
Not Yet Determined	<u>14.3</u>	<u>0.5</u>
Total Distributions	\$2,660.7 ^{1/}	100.0%

1/ Total does not add due to rounding.

For specific estimates by county and program, please see the attachment. The attached list does not list all state aid to counties, but represents the major contributors of assistance.

Selected State Expenditures on Counties by County 1/

<u>Program/Purpose</u>	<u>Apache</u>	<u>Cochise</u>	<u>Coconino</u>	<u>Gila</u>	<u>Graham</u>	<u>Greenlee</u>	<u>La Paz</u>	<u>Maricopa</u>	<u>Mohave</u>	<u>Navajo</u>	<u>Pima</u>	<u>Pinal</u>	<u>Santa Cruz</u>	<u>Yavapai</u>	<u>Yuma</u>	<u>Not Available 2/</u>	<u>Program Total</u>
<u>ADOA</u>																	
Emergency Telecommunications Fund	27,456	564,169	943,515	198,807	191,945	203,340	146,969	11,287,254	803,142	228,339	2,060,219	497,457	176,674	1,159,075	532,521		19,020,882
<u>AHCCCS</u>																	
ALTCSS	15,016,000	7,118,900	10,763,400	5,706,700	1,820,300	127,300	805,800	183,375,000	8,294,600	17,086,800	45,759,800	11,939,100	3,599,200	10,217,800	7,938,200		329,568,900
Disproportionate Share Hospital	-	-	-	-	-	-	-	4,202,300	-	-	-	-	-	-	-		4,202,300
<u>County Funding</u>																	
Coordinated Reentry Planning Services																7,000,000	7,000,000
General Fund County Disbursements	550,050	550,050	550,050	550,050	1,050,050	550,050	550,050	-	550,050	550,050	-	550,050	550,050	550,050	550,050		7,650,650
Partial EORP Cost Offset	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-	250,000	250,000	-	-	250,000	250,000	250,000		3,000,000
<u>ACJC</u>																	
Rural County Diversion Programs 3/	574,176	503,350	2,100,000	-	346,780	356,780	327,892	-	725,000	625,000	-	1,800,000	651,541	1,300,000	539,480		9,850,000
State Aid to County Attorneys	6,399	13,468	14,677	6,675	5,696	1,188	3,414	379,996	22,440	17,934	84,211	37,346	3,184	31,942	19,679	325,451	973,700
State Aid to Indigent Defense	6,908	14,544	15,848	7,208	6,152	1,284	3,688	410,332	24,232	19,364	90,932	40,328	3,440	34,492	21,248		700,000
<u>DES</u>																	
Child Support Enforcement	-	18,100	40,900	84,500	14,300	-	53,700	2,918,400	182,000	147,700	1,075,100	823,200	113,700	257,000	215,700		5,944,300
<u>DEMA</u>																	
Border-Related Crime Cost Reimbursement	1,244,083				2,909,345												4,153,428
<u>Forestry and Fire Management</u>																	
Environmental County Grants	50,000	-	-	50,000	50,000	50,000	-	-	-	50,000	-	-	-	-	-		250,000
<u>Governor</u>																	
County Fair Racing and Agriculture Promotion	171,583	270,437	270,437	246,018	270,437	171,583	171,583	2,153,428	221,716	270,437	344,578	270,437	171,583	393,299	344,578		5,742,134
<u>DHS</u>																	
Chronic Disease Prevention	13,000	16,100	18,000	6,800	4,700	1,300	13,300	530,600	26,400	14,000	128,000	52,000	-	28,300	27,900		880,400
Tobacco Cessation and Prevention	172,000	307,900	381,300	125,600	112,300	67,000	132,500	2,056,400	346,800	167,400	1,038,800	302,200	-	299,900	252,600		5,762,700
<u>Judiciary</u>																	
Adult Intensive Probation Supervision	295,083	964,508	1,301,437	299,856	318,084	157,991	90,373	-	336,970	683,968	4,671,245	885,931	337,598	1,028,087	2,136,689		13,507,820
Adult Standard Probation	466,804	1,105,881	1,357,520	529,226	648,449	300,893	192,135	-	2,077,222	948,480	4,631,429	4,365,846	386,974	2,942,594	1,706,813		21,660,266
Aid to Courts	15,656	31,442	35,414	14,600	11,488	2,583	6,264	1,002,484	53,511	34,311	228,442	97,409	9,599	73,541	48,637		1,665,381
Community Punishment	28,471	2,000	99,071	11,498	13,047	18,382	10,862	-	106,495	47,202	415,814	79,050	74,353	69,439	32,586		1,008,270
Compensation for Judges	82,350	411,750	411,750	164,700	82,350	82,350	82,350	13,122,300	576,450	329,400	4,180,500	823,500	164,700	576,450	576,450		21,667,350
Court Appointed Special Advocate	59,849	132,152	207,629	107,556	25,431	24,155	26,709	1,603,419	176,626	100,138	660,666	256,584	52,109	295,211	151,623		3,879,857
Drug and Gang Enforcement	22,250	48,163	66,876	24,645	50,730	-	38,496	-	158,754	145,000	199,430	134,353	-	73,612	20,784		983,093
Drug Court	67,798	-	79,362	8,000	18,349	-	-	-	197,152	97,520	254,624	15,000	-	123,198	235,397		1,096,400
Drug Treatment and Education	14,146	-	143,602	14,500	77,130	1,200	8,000	1,184,282	70,002	11,000	453,534	81,630	10,000	113,721	124,050		2,306,797
Grand Jury/Post Conviction Relief	-	-	-	-	-	-	-	123,697	63,731	-	-	-	-	-	-		187,427
Interstate Compact	-	-	-	-	-	-	-	-	-	-	305,788	-	-	145,475	-		451,263
Juvenile Diversion Consequences	43,527	70,531	245,186	24,433	48,897	15,984	42,797	945,642	76,191	78,893	171,967	225,252	17,000	182,385	129,067		2,317,752
Juvenile Diversion Intake	43,478	327,687	738,968	305,511	150,081	60,170	53,738	1,800,887	240,933	171,399	1,278,729	558,305	366,700	708,101	702,045		7,506,733
Juvenile Family Counseling	9,199	12,011	12,410	7,635	7,561	5,638	5,752	276,844	14,922	11,922	61,550	32,075	8,148	15,313	19,020		500,000
Juvenile Intensive Probation	94,900	333,774	841,621	199,709	187,881	99,164	88,736	-	653,229	249,721	1,044,167	735,351	246,683	703,366	1,254,048		6,732,352
Juvenile Standard Probation	191,273	142,617	157,444	141,513	142,617	84,875	84,875	-	353,034	111,412	622,176	699,411	107,136	311,421	720,127		3,939,815
Juvenile Treatment Services	318,273	497,032	1,230,712	451,899	532,679	125,427	27,463	9,648,082	1,314,248	558,260	1,748,010	1,123,998	352,046	1,241,837	1,633,032		20,803,000
Model Court	9,313	49,140	29,763	16,228	27,333	7,208	1,442	411,481	36,192	-	-	-	-	-	-		588,100
Probation Incentive Payments	10,046	24,947	31,201	8,991	13,860	4,811	2,000	403,190	50,958	22,822	201,566	88,246	8,366	86,448	42,548		1,000,000
Public Defender Training	-	6,169	18,099	-	-	-	2,509	166,551	12,248	10,366	69,357	20,249	-	14,584	21,118		341,249
<u>DPS</u>																	
GIITEM	-	-	-	-	-	-	-	-	-	-	-	500,000	-	-	-	903,400	1,403,400
GIITEM Subaccount	-	296,000	-	-	-	-	-	-	-	-	130,900	-	-	-	-	1,050,000	1,476,900
<u>SOS</u>																	
Election Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
<u>ADOT</u>																	
HURF	8,940,900	10,876,200	12,507,500	5,104,200	3,401,000	1,307,500	5,970,400	134,977,300	16,848,100	10,766,500	55,834,000	28,416,100	4,399,600	16,616,500	13,866,900		329,832,700
Vehicle License Tax	3,827,800	7,114,500	7,892,200	3,587,100	2,330,900	664,800	1,562,700	221,696,300	15,478,700	6,997,500	53,276,700	27,672,500	3,570,900	16,799,400	11,258,500		383,730,500
<u>Treasurer</u>																	
CJEF	131,422	156,024	181,751	135,592	134,758	126,627	131,005	1,039,593	192,717	150,186	365,345	195,845	136,009	241,920	198,555		3,517,347
County Property Owner Notification Systems	10,000	10,000	17,000	7,200	10,000	10,000	10,000	-	25,000	10,000	-	-	10,000	-	7,000		126,200
County Recorder Voter Registration Review	-	-	-	-	-	-	-	4,053,942	195,579	-	956,894	389,994	-	216,619	186,972		6,000,000
County Sheriff Search & Rescue	-	450,000	525,000	62,500	-	12,500	-	-	525,000	12,500	-	550,000	-	337,500	-	25,000	2,500,000
Firearm Training Simulators	-	-	-	-	-	-	-	330,000	300,000	300,000	-	-	-	-	-		930,000
Justice of the Peace Salaries	99,039	236,015	124,529	12,475	50,712	49,276	47,117	-	193,622	203,807	363,744	151,072	38,980	185,567	106,099		1,862,053
La Paz County Public Safety	-	-	-	-	-	-	860,000	-	-	-	-	-	-	-	-		860,000
LEBSF	28,573	-	296,363	207,516	-	-	340,160	273,004	666,764	13,765	-	-	-	-	259,448		2,085,591
Mohave County Substations/Vehicles	-	-	-	-	-	-	-	-	-	9,500,000	-	-	-	-	-		9,500,000
Secure Ballot Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000	5,000,000
State Shared Transaction Privilege Tax	7,789,638	19,454,972	35,025,872	8,652,456	6,452,547	6,032,153	3,623,229	918,491,033	37,676,049	16,998,348	180,728,949	63,103,653	7,652,258	49,743,116	33,629,522		1,395,053,796
County Total	\$40,681,400	\$52,380,500	\$78,926,400	\$27,343,000	\$21,868,900	\$10,973,500	\$15,725,800	\$1,518,863,700	\$90,116,800	\$67,991,400	\$363,437,200	\$147,513,500	\$23,468,500	\$107,367,300	\$79,759,000	\$14,303,900	\$2,660,720,800

1/ Figures reflect FY 202

Program Notes

ADOA

Election Security Grants: The FY 2023 General Appropriation Act includes \$1,500,000 from the General Fund for ADOA's Election Security Grants Line Item which includes \$1,000,000 for ADOA to distribute as grants to county recorders to test ballot paper and \$500,000 for ballot box surveillance in Cochise, Yuma, and Pinal Counties. The budget does not specify a distribution.

Emergency Telecommunications Fund: These non-appropriated funds are distributed to counties for expanding 9-1-1 service.

School Safety Interoperability Fund: The FY 2023 General Appropriation Act includes \$20,000,000 from the School Safety Interoperability Fund for county sheriffs and city police departments.

Sheriff & County Detention Officer Compensation: The FY 2023 General Appropriation Act includes \$53,405,000 from the Department of Military Affairs' Border Security Fund to distribute to ADOA for deputy sheriff and county detention officer compensation, including a \$10,000 retention bonus paid over 2 years and a \$5,000 signing bonus paid over 1 year. The budget requires ADOA to report on the total amounts distributed by county and staffing and retention data for positions receiving retention bonuses.

AHCCCS

Arizona Long Term Care System (ALTCs): This program is for individuals 65 or older, blind, or disabled and need ongoing services at nursing facility level of care. The General Fund supplements county ALTCs payments thereby lowering the cost to the counties. The state pays for 50% of ALTCs growth. The counties also receive breaks from the state based on: net assessed property value, on-reservation population of at least 20%, and per capita income lower than the statewide per capita income. These are commonly referred to as "circuit breakers."

Disproportionate Share Hospital Payment (DSH): This program provides additional payments to hospitals in counties that serve a disproportionate number of low-income patients. The amount listed above is distributed to the Maricopa Integrated Health System (Valleywise).

County Funding

Coordinated Reentry Planning Services: The FY 2024 General Appropriation Act includes \$7,000,000 from the General Fund to ADOA for distribution to counties to establish a coordinated reentry planning services program. The budget does not specify a distribution for the FY 2023 appropriation.

General Fund County Disbursements: The FY 2024 General Appropriation Act includes \$7,150,650 from the General Fund to be divided equally between all counties except for Maricopa and Pima Counties. An additional \$500,000 is allocated to Graham County on an ongoing basis.

Partial EORP Cost Offset: The FY 2024 General Appropriation Act includes \$3,000,000 from the General Fund for distribution to specified counties to offset increased Elected Officials Retirement Plan (EORP) liabilities. FY 2019 was the first year of funding for this item. In FY 2019, the EORP employer contribution rate increased from 23.5% to 61.5%.

ACJC

Rural County Diversion Programs: The FY 2024 General Appropriation Act includes \$10,000,000 from the General Fund to be used as grants to county attorney offices in counties with populations less than 900,000 to establish and operate alternative prosecution and diversion programs that are based on evidence-based practices.

State Aid to County Attorneys: In FY 2024, \$1,406,409 appropriated from the State Aid to County Attorneys Fund provides funding for various offices of county attorneys throughout Arizona to improve the processing of criminal cases. ACJC is required to distribute the monies to each county based on a composite index formula using Superior Court felony filings and county population. Distributions are subject to available revenue in the fund. These amounts reflect FY 2024 distributions.

State Aid to Indigent Defense: The FY 2023 General Appropriation Act includes \$700,000 from the State Aid to Indigent Defense Fund for processing of criminal cases by the offices of the public defender, legal defender, and/or contract indigent defense counsel in each county. ACJC is required to distribute the monies to each county based on a composite index formula using Superior Court felony filings and county population. These amounts reflect FY 2024 distributions.

DES

Child Support Enforcement: Funds are distributed to all Arizona counties except Apache and Greenlee to provide clerk of the court and family law support services. These amounts reflect FY 2024 estimates.

DEMA

Antihuman Trafficking Grant Fund: The FY 2023 General Appropriation Act includes \$8,000,000 from the Antihuman Trafficking Grant Fund to distribute to city, town, and county law enforcement agencies for programs that reduce human trafficking.

Border-Related Crime Cost Reimbursement: The FY 2023 General Appropriation Act includes \$30,000,000 for distribution to cities, towns and counties for costs associated with prosecuting and imprisoning individuals charged with border-related crimes.

Cochise County Jail: The FY 2023 General Appropriation Act includes \$20,000,000 from the Border Security Fund to distribute to Cochise County for up to 20% of the costs to construct a county jail. The budget stipulates that the state share of construction costs shall not exceed \$20,000,000 and that these monies not be distributed until Cochise County has submitted a report to JLBC, OSPB, and ADOA that the county has raised sufficient monies to fund the remainder of the project's budget. Monies that remain unspent on June 30, 2027 will revert to the Border Security Fund.

ICE Program Participation Cost Reimbursement: The FY 2023 General Appropriation Act includes \$15,000,000 to reimburse county or local law enforcement agencies for costs incurred for participating in a program with the U.S. Immigration and Customs Enforcement (ICE).

Forestry and Fire Management

Environmental County Grants: In FY 2024, \$250,000 was appropriated from the General Fund to be divided equally between 5 counties (Apache, Gila, Graham, Greenlee, and Yavapai) for environmental projects that impact economic development in those counties.

Governor

County Fair Racing and Agriculture Promotion: The Governor's Office receives these appropriated funds from the Department of Gaming, and then passes them on to counties for fairs.

DHS

Chronic Disease Prevention: This program provides funds for projects designed to reduce the prevalence of the 4 leading disease-related causes of death in Arizona. It receives monies from cigarette tax revenues in the Health Education Account. These amounts are FY 2023 estimates.

Tobacco Education and Prevention Expenditures: Monies provided to counties from the Department Health Services' Health Education Account, funded from tobacco tax dollars. These amounts are FY 2023 estimates.

Judiciary

Adult Intensive Probation Supervision: This type of probation is a sentencing alternative intended to divert serious, non-violent offenders from prison. These resources are distributed from the General Fund and Other Funds directly to the counties.

Adult Standard Probation: These probationers are not considered a serious threat to security. These resources are distributed from the General Fund and Other Funds directly to the counties.

Aid to Courts: These funds provide aid to counties for the payment of judges pro tempore salaries, and for projects designed to improve the processing of criminal cases in the Superior and Justice Courts. These are Other Funds monies and are given directly to Superior Courts and Justice Courts; counties administer these courts. These funds are distributed based on a county's pro-rata share of population and felony filings.

Community Punishment: This program provides behavioral treatment services for adult probationers and provides enhanced supervision. These are Other Funds monies and are given directly to all counties except Maricopa.

Compensation for Judges: Judges Compensation is the state's 50% portion of salary and Employee Related Expenditures of Superior Court judges. These monies are from the General Fund and are distributed directly to counties.

Court Appointed Special Advocate (CASA): This program administers and monitors a community-based volunteer advocacy program for abused and neglected children in the Juvenile Court System. These are Other Funds monies and are given directly to counties.

Drug and Gang Enforcement: This account enhances the courts' ability to process drug offenses and related cases. These are Other Funds monies and are given directly to counties.

Drug Court: Provides the Superior Courts throughout the state with drug courts. These are General Fund monies and are given directly to counties.

Drug Treatment and Education: This fund provides monies to place people on education and treatment for drugs. These are Other Funds monies and are given directly to counties.

Grand Jury/Post-Conviction Relief: These are General Fund monies for county grand jury expenses and for the costs of state-funded representation of indigent defendants.

Interstate Compact: This program provides funding for supervision of, and intervention to, probationers transferring to Arizona. These are General Fund and Other Funds monies and are given directly to counties.

Juvenile Diversion Consequences: This program diverts youths from formal court proceedings in order to reduce court costs and prevent re-offending. These monies are General Fund and are given directly to counties.

Juvenile Diversion Intake: The intake portion of the Juvenile Diversion program which diverts youths from formal court proceedings in order to reduce court costs and prevent re-offending. These are General Fund monies and are given directly to counties.

Juvenile Family Counseling: Provides funding to the Juvenile Division of the Superior Court for prevention of delinquency by strengthening family relationships. These are General Fund monies and are given directly to counties.

Juvenile Intensive Probation: This program diverts serious, non-violent offenders from incarceration or residential care. This program also provides intensive supervision for high-risk offenders already on probation. These resources are distributed from the General Fund directly to the counties.

Juvenile Standard Probation: This program provides community supervision for juveniles. These resources are distributed from the General Fund and Other Funds directly to the counties.

Juvenile Treatment Services: Provides juvenile courts with money to refer delinquent youths to treatment programs. These monies are General Fund and are given directly to counties.

Model Court: These are pass-through funds from the General Fund to the counties. These funds are to improve the processing of dependency cases.

Public Defender Training: This program provides monies for the training of public defenders. These are Other Fund monies and are given directly to counties.

Probation Incentive Payments: The FY 2022 General Appropriation Act appropriated \$1,000,000 from the General Fund for 2 funding programs to reward counties for reducing the number of probationers that are returned to state prison. Distribution of the grant funding is determined by a board consisting of the chief probation officers of each county. The amount distributed to each county from these programs is subject to available funding.

DPS

Gang and Immigration Intelligence Team Enforcement Mission Fund (GIITEM): Monies in this fund can be used for employer sanctions, smuggling, gang, and immigration enforcement. The total appropriation from the General Fund for FY 2023 is \$1,403,400.

GIITEM Subaccount: In FY 2023, \$2,396,400 is appropriated from this account. These funds will be distributed to county sheriffs. These monies are from the GIITEM Fund Border Security and Law Enforcement Subaccount (Other Funds).

SOS

Election Reimbursements: Reimbursements to counties for costs of administering elections. Due no primary or general elections scheduled in FY 2022, there were no disbursements.

ADOT

Highway User Revenue Fund (HURF): The State of Arizona taxes motor fuels and imposes various other fees related to the registration and operation of motor vehicles. These funds are distributed to counties, cities, towns, and the State Highway Fund.

State Aviation Fund: Monies used for planning and developing publicly-owned aviation facilities.

Vehicle License Tax: Monies are distributed to county highway and General Funds.

Treasurer

Criminal Justice Enhancement Fund (CJEF): In FY 2023, the Treasurer received \$3,517,347 in non-appropriated CJEF monies to pass on to county sheriffs.

Justice of the Peace Salaries: The state pays 40% of the Justice of the Peace salaries from the General Fund.

Law Enforcement Boating and Safety Fund (LEBSF): Monies in this fund provide grants to county law enforcement agencies for water and boating safety programs. These monies are from a portion of watercraft licensing taxes and operating a watercraft while under the influence fees.

State Shared Transaction Privilege Tax (TPT): TPT is shared with counties and cities along with the General Fund through formulas established in statute.