

House and Senate Approved Budget Bills

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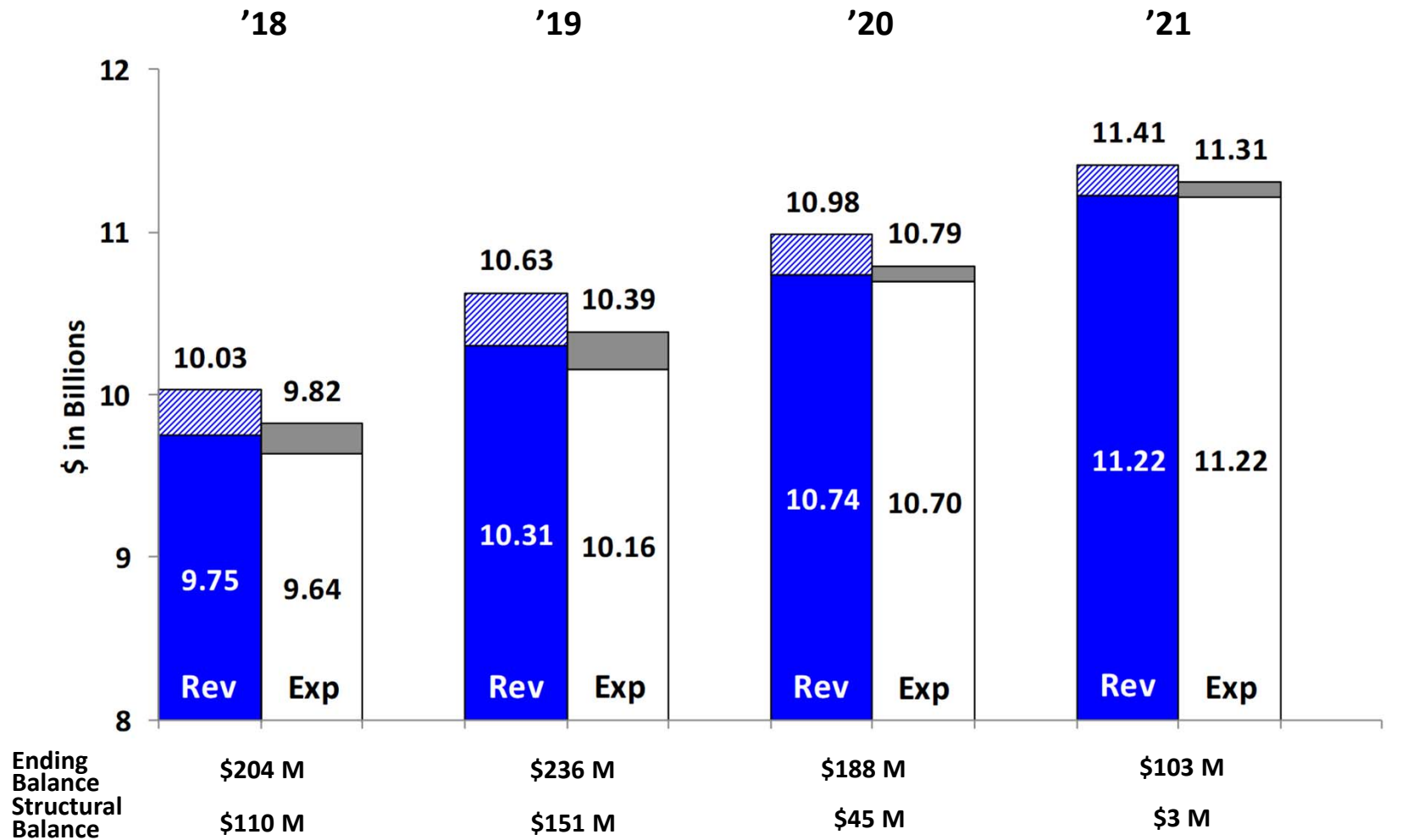
Budget Summary

**House and Senate Approved Bills
May 3, 2018**

House and Senate Approved Budget Plan

	'18	'19	'20	'21
Balance Forward	150.9	204.4	235.7	188.2
Revenues	9,874.9	10,420.9	10,743.6	11,220.8
Spending	9,821.4	10,389.6	10,791.1	11,306.0
Ending Balance	\$204.4 M	\$235.7 M	\$188.2 M	\$103.0 M
Base Revenue Growth	6.0%	4.0%	4.4%	4.4%
Spending Growth	1.9%	5.7%	3.9%	4.8%

5/3 Plan: Projected '21 Balance is \$ 103 M



■ Base Revenue
 ■ Cash Balance / One-Time
 □ Ongoing Expenditures
 ■ One-Time Expenditures



Revenue Summary

\$ in Millions

FY 2019	JLBC Baseline	5/3 Plan
Beginning Balance		204.4
Base Revenue	10,022.7	10,246.7
Prior Year Tax Law Changes	(75.3)	(75.3)
Enforcement Revenue		55.0
DPS Highway Safety Fee Offsets		72.4
TPT Online Lodging/Sales Suppression Software		10.0
TY 2017 Conformity		(5.0)
One-Time Fund Transfers		120.7
Other		(3.6)
Total Revenues	9,947.4	10,625.3

\$120.7 M in Fund Transfers

- \$53 M – Prescription Drug Rebates
- \$20 M – DEQ Underground Storage Tank
- \$20 M – Attorney General VW Settlement Transfer
- \$7 M – Industrial Commission Admin Fund
- \$5 M – DFI Financial Services Fund

Major '19 General Fund Spending Changes

- Relative to JLBC Baseline

	\$ in Millions	
	<u>Ongoing</u>	<u>One-Time</u>
<u>Spending Increases</u>		
ADE – Teacher Pay Funding	176.2	
ADE – Teacher Pay – Bridge to 301		64.1
ADE – Increase Additional Assistance	100.0	
AHCCCS – 2.5% Provider Rate Increase	9.8	
Corrections/EORP/Other – Retirement Adjustment	35.2	
Corrections – Health Care Adjustment	15.0	
Counties – DJC Offset		11.3
DES – DD One-Time Funding		13.0
SFB – Building Renewal		34.4
State Employee Health Insurance Fund Deposit		10.0
Universities (\$8 M Regular Distribution/\$2 M Freedom Schools)		10.3
<u>Spending Reductions</u>		
ADE – Secondary Property Tax Reforms	(18.4)	
AHCCCS – Rearrange Tobacco Tax/Increase Hospital Assessment	(35.2)	
Corrections – Private Prison Capacity Cap	(2.8)	
DES – Lower TANF Caseloads/Fund Shift	(5.0)	
DEQ – WQARF Fund Shift to Non-GF	(2.8)	
DPS – Fund Shifts	(3.8)	
'17 Highway Project Fund Shift		(12.5)



'19 Overall Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	9,829.1	9,829.1
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Education	167.6	477.4
AHCCCS	84.0	1.6
Corrections	(12.3)	26.4
Universities	7.3	17.6
Economic Security	51.8	63.6
Child Safety	4.6	(4.2)
School Facilities Board	(52.1)	(17.7)
ADOA Health Insurance	0.0	10.0
ADOA IT Projects	(12.3)	(7.3)
Counties	(9.7)	4.9
Other	(2.3)	(11.8)
Total Changes	226.6	560.5
FY 2019 Total	10,055.7	10,389.6

K-12 General Fund Spending Levels

(\$ in M Above '18)

	<u>'19</u>	<u>'20</u>	<u>'21</u>
Formula Spending	\$ 126.4	\$ 281.4	\$ 473.6
Additional Assistance	100.0	167.8	235.6
Teacher Pay Plan – 20% Increase	240.3	405.0	529.4
Other	<u>10.7</u>	<u>11.0</u>	<u>11.2</u>
Total Additional Spending	\$477.4	\$865.2	\$1,249.8
Total General Fund	\$4,704.4	\$5,092.2	\$5,476.8

Executive Teacher Pay Proposal

<u>'19 Adjustments (9%)</u>	<u>'19</u>	<u>'20</u>	<u>'21</u>
1% Approved in '17	Already in JLBC baseline		
6% via Base Level	\$176	\$176	\$176
2% via Base Level (Prop 301 Bridge)	64	64	64
<u>'20 Adjustment</u>			
5% via Base Level		165	165
<u>'21 Adjustment</u>			
5% via Base Level			175
Total above Baseline	<u>\$240</u>	<u>\$405</u>	<u>\$580 *</u>

* Includes \$50 M of Classroom Site Fund freed up in '21 by completion of debt service payments



'19 AHCCCS Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	1,775.3	1,775.3
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Funding Formula Growth	82.3	16.7
Restore Health Insurer Fee	20.0	20.0
Inter-Agency Shifts	(18.3)	(16.4)
Rearrange Tobacco Tax/Increase Assessment	0.0	(35.2)
Increase Hospital Rates 2.5%	0.0	9.9
School Behavioral Health Funding	0.0	3.0
Increase Nursing Facility Rates 3%	0.0	2.7
Eliminate County DUC Pool Payment	0.0	2.6
End Prior Quarter Coverage	0.0	(2.5)
Increase Critical Access Hospital Funding	0.0	1.8
Reduce Out-of-Network Behavioral Health	0.0	(1.0)
Other	<u>0.0</u>	<u>(0.1)</u>
Total Changes	84.0	1.6
FY 2019 Appropriation	1,859.3	1,776.8

'19 Corrections Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	1,067.6	1,067.6
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Technical One-Time State Health Insurance Adjustment	(12.3)	(12.3)
Employer Retirement Rate Adjustment	0.0	26.5
Inmate Health Care Contract Adjustment	0.0	15.0
Private Prison Capacity Cap	0.0	(2.8)
Recidivism Efforts (\$2.4 M Other Funds)	<u>0.0</u>	<u>0.0</u>
Total Changes	(12.3)	26.4
FY 2019 Appropriation	1,055.3	1,094.0

'19 Universities Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	704.8	704.8
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Remove One-Time '18 Operating or Capital Funding	(15.0)	(15.0)
Restore One-Time '19 Operating or Capital Funding	0.0	8.0
One-Time Freedom Schools Funding	0.0	2.5
Universities Infrastructure Funding – 1 st Year	27.0	27.0
ASU Arizona and Mexico Economic Development	0.0	0.3
Technical One-Time State Health Insurance Adjustment	<u>(4.7)</u>	<u>(4.7)</u>
Total Changes	7.3	18.1
FY 2019 Appropriation	712.1	722.9

'19 DES Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	586.1	586.1
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Developmental Disabilities Medicaid Formula Growth	34.1	34.1
Proposition 206 Minimum Wage Increase	3.9	3.9
Restore One-Time DD Prop 206 Rate Adjustment	(10.0)	1.0
Restore One-Time Room and Board Increase (6.5%)	(2.0)	0.0
Room and Board Backfill State-Only	6.4	6.4
State-Only Case Management	2.9	2.4
Skilled Nursing 3% Rate Increase	0.0	0.2
Shift DD Children's Rehabilitation Services from AHCCCS	0.0	15.2
Shift DD Behavioral Health from AHCCCS	17.1	0.0
One-Time Food Bank Funding	0.0	1.0
Early Intervention Program <u>1</u> /	0.0	0.0
Technical One-Time State Health Insurance Adjustment	<u>(0.6)</u>	<u>(0.6)</u>
Total Changes	51.8	63.6
FY 2019 Appropriation	637.9	649.7



1/ \$1.9 M Other Funds

'19 DCS Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	379.8	379.8
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Adoption Caseload Growth ^{1/}	0.0	1.2
CHILDS Replacement ^{2/}	5.0	0.0
TANF/Caseload Reduction/Fund Shift	0.0	(5.0)
Health Insurance Adjustment	<u>(0.4)</u>	<u>(0.4)</u>
Total Changes	4.6	(4.2)
FY 2019 Appropriation	384.4	375.6

^{1/} Plus \$5.9 million of Non-General Funds and \$7.0 million shifted from Foster Care

^{2/} Funded at \$5.0 million in ADOA

'19 SFB Spending Changes Above '18

	\$ in Millions	
FY 2018 Appropriation	292.3	292.3
<u>Change to '18</u>	<u>Baseline</u>	<u>5/3</u>
Building Renewal Grants – Remove One-Time	(17.2)	(17.2)
Building Renewal Grants – New One-Time	0.0	34.4
End of Funding '17 New School Starts	(23.1)	(23.1)
'18 New School Starts (Cash 2-year funding)	(25.9)	(25.9)
- '18 funding of \$64 M declines to \$38 M in '19		
'19 New School Starts (Cash 2-year funding) <u>1/</u>	49.6	49.6
School Debt Service Reduction	<u>(35.5)</u>	<u>(35.5)</u>
Total Changes	(52.1)	(17.7)
FY 2019 Appropriation	240.2	274.6

1/ Plus \$36.7 M in '20 for new schools or expansions:
Chandler (3), Queen Creek (1), Tolleson (1)

'19 Highway Safety Fee Set to Generate \$91 M

- Starts in January '19

- Saves GF \$72 M and Increases Local HURF \$12 M

	\$ in Millions			
	<u>DPS Non GF</u>	<u>GF</u>	<u>Local HURF</u>	<u>State ** Roads</u>
Reduce DPS HURF/Return to Construction	(84)		42	42
Highway Safety Fee Offset	84 *			
New Troopers (HSF)	7 *			
Replace GF/HELP Support of Local HURF		30	(30)	
Transfer State Roads Gain to GF via VLT ('19 only)		42		(42)
Total	<u>7</u>	<u>72</u>	<u>12</u>	<u>0</u>

* Represents \$91 M Highway Safety Fee

** State Highway Fund



'20 Highway Safety Fee Generates \$182 M

- Saves GF \$107 M and Increases Local HURF \$19 M

	\$ in Millions			
	<u>DPS</u> <u>Non GF</u>	<u>GF</u>	<u>Local</u> <u>HURF</u>	<u>State</u> <u>Roads</u>
Reduce DPS HURF/Return to Construction	(99)		49	50
Highway Safety Fee Offset	99 *			
Reduce DPS Highway Patrol General Fund		21		
Highway Safety Fee Offset	21 *			
Reduce DPS Highway Patrol Other Fund/ General Fund Transfer **	(40)	40		
Highway Safety Fee Offset	40 *			
New Troopers/Retirement (HSF)	7 *			
Replace GF/HELP Support of Local HURF		30 *	(30)	
Excess Highway Fee		16		
Total	<u>7</u>	<u>107</u>	<u>19</u>	<u>50</u>

* Represents \$107 M Highway Safety Fee

** Technical issues to be resolved



GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

	A	B	C	D
	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
1 Beginning Balance	\$ 150.9	\$ 204.4	\$ 235.7	\$ 188.2
Ongoing Revenues				
2 Ongoing Revenues - January Baseline	9,648.5	9,947.4	10,378.7	10,862.4
3 Base Revenue Adjustment	100.0	224.0	243.0	238.3
4 Expand Tax Fraud Prevention to TPT		30.0	30.0	30.0
5 Higher Revenue/Increased Enforcement Staff		25.0	25.0	25.0
6 Eliminate \$2.6 M Ongoing Judiciary Transfers - Move \$2.0 M to One-Time		(2.6)	(2.6)	(2.6)
7 Increase Military Pension Exemption to \$3,500 (Cost Begins in FY 20)		Start in FY 20	(2.0)	(2.0)
8 Cap Radiation Regulatory Fees Shift from General Fund at \$800k		(0.8)	(0.8)	(0.8)
9 Boxing/MMA Fees Shift from General Fund - \$0.1 M Revenue Loss		(0.1)	(0.1)	(0.1)
10 Executive Liquor Issues - GF Revenue Loss - \$0.1 M Revenue Loss		(0.1)	(0.1)	(0.1)
11 TPT Online Lodging Marketplace Registration (SB 1382 - Signed)		10.0	15.0	15.0
12 DPS Highway Safety Fee Offset/Transfers		42.4	55.7	55.7
13 ADOT HELP Fund Transfer (Due to Highway Safety Fee Offset)		30.0		
14 Subtotal - Ongoing Revenues	\$ 9,748.5	\$ 10,305.2	\$ 10,741.8	\$ 11,220.8
One-Time Revenues				
15 One-Time Base Revenue Adjustment	72.0			
16 Tax Year 2017 IRC Conformity (HB 2647 - Signed)		(5.0)		
<u>Previously Enacted Fund Transfers</u>				
17 FY 2018 Moody's Settlement Transfer - Already Enacted	8.2			
<u>New Proposed Fund Transfers</u>				
18 ADOA - Air Quality Fund	0.2			
19 ADOA - Employee Benefit Plan Fund		2.5		
20 ADOA - AFIS II Fund		0.8		
21 ADOA - Motor Pool Revolving Fund		0.3		
22 AHCCCS - IGA and ISA Fund		5.9		
23 AHCCCS - Hospital Loan Residency Program	0.9			
24 AHCCCS - Prescription Drug Rebate Fund		52.6		
25 Attorney General - VW Settlement Transfer		20.0		
26 Contractors - Recovery Fund		4.0		
27 Corp. Comm. - Pipeline Safety Revolving Fund		0.1		
28 Corrections - Corrections Fund		1.5		
29 Corrections - Building Renewal Fund		0.5		

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

		A	B	C	D
		FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
30	Corrections - Special Services Fund	1.0	25k		
31	Corrections - ACI Revolving Fund		1.5		
32	Corrections - Indirect Cost Recovery Fund		0.5		
33	Economic Opportunity - Operations Fund		2.2		
34	Economic Opportunity - Economic Development Fund	5.1			
35	Economic Opportunity - Greater AZ Development Authority	1.3			
36	Economic Opportunity - AFA Operating Fund		0.1		
37	Economic Opportunity - AZ IDA Fund		0.3		
38	DES - Special Admin Fund		11k		
39	DEQ - Hazardous Waste Management Fund	1.5			
40	DEQ - Air Quality Fund	1.5			
41	DEQ - Air Quality Fund (VW Lawsuit Shift)		1.0	1.0	
42	DEQ - Underground Storage Tank Revolving Fund	10.0	10.0		
43	DEQ - Recycling Fund	2.0			
44	DEQ - Centralized Monitoring Fund	0.5			
45	DEQ - Permit Administration Fund	3.0			
46	DEQ - Voluntary Vehicle Repair and Retrofit Program Fund	2.5			
47	DFI - Mortgage Recovery Fund	0.5			
48	DFI - Financial Services Fund	5.0			
49	DFI - Receivership Revolving Fund	50k			
50	Game and Fish - Watercraft Licensing	1.0	1.5		
51	DHS - Health Service Licensing Fund	1.5	1.0		
52	DHS - BHS ISA Agreement Fund	3.1			
53	Housing - Housing Program Fund		2.0		
54	Housing - Housing Trust Fund		0.4		
55	Industrial Commission - Admin Fund		7.0		
56	Judiciary - Drug Treatment and Education Fund		2.0		
57	DPS - Public Safety Equipment Fund		22k		
58	DPS - Fingerprint Clearance Card Fund	1.0			
59	DPS - Concealed Weapons Permit Fund	2.0			
60	DPS - Joint Fund (VW Lawsuit Fund Shift)		0.8	0.8	
61	RUCO - Revolving Fund		0.1		
62	ADOT - Economic Strength Project Fund	0.5			
63	ADOT - Vehicle Inspection and Title Enforcement Fund	2.0	1.1		
64	Water Resources - IGA/ISA Fund	0.1			

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

	A	B	C	D
	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
65 Water Resources - Indirect Cost Recovery Fund		1.0		
66 Subtotal - Newly Enacted Fund Transfers	\$ 46.2	\$ 120.7	\$ 1.8	\$ -
67 Subtotal - One-Time Revenues (Including Beginning Balance)	\$ 277.3	\$ 320.1	\$ 237.5	\$ 188.2
68 Total Revenues	\$ 10,025.8	\$ 10,625.3	\$ 10,979.3	\$ 11,409.0
69 JLBC Baseline - Ongoing Spending	\$ 9,666.3	\$ 9,958.8	\$ 10,334.1	\$ 10,650.8
Ongoing Changes to JLBC Baseline				
70 ADOA - Government Transformation Office Fund Shift		(1.0)	(1.0)	(1.0)
71 ADOA - AZNet (Telecomm) Contract Savings (\$45k)		(0.1)	(0.1)	(0.1)
72 ADOA - State Procurement Office Fund Shift		(0.5)	(0.5)	(0.5)
73 ADOA - Utility Savings		(0.6)	(0.6)	(0.6)
74 Office of Administrative Hearings - 1740 W Adams Relocation		\$13k	\$13k	\$13k
75 Agriculture - Livestock Inspector Salary Increase		0.2	0.2	0.2
76 Agriculture - Salt River Horse Management (FY 18 \$40k/FY 19 \$51k)	0.1	0.1	0.1	0.1
77 Agriculture - Efficiency Savings (\$125k)		(0.1)	(0.1)	(0.1)
78 AHCCCS - Formula (FY 18 in Revertments)	(17.3)	(65.6)	(52.4)	(36.2)
79 AHCCCS - Shift CRS to DES		(15.2)	(15.2)	(15.2)
80 AHCCCS - Shift DD Behavioral Health to DES (Baseline Shifted; Plan Does Not)		17.1	17.1	17.1
81 AHCCCS - Rearrange Tobacco Tax/Increase Hospital Assessment		(35.2)	(35.2)	(35.2)
82 AHCCCS - 2.5% Provider Rate Increase		9.8	9.8	9.8
83 AHCCCS - End Prior Quarter Coverage		(2.5)	(2.5)	(2.5)
84 AHCCCS - Reduce Out-of-Network BHS Reimbursement to 90%		(1.0)	(1.0)	(1.0)
85 AHCCCS - American Indian Health Program Admin Shift (\$545k)		(0.5)	(0.5)	(0.5)
86 AHCCCS - American Indian Health Program Admin Staffing (12 FTEs)		0.3	0.3	0.3
87 AHCCCS - Behavioral Health Services in Schools		3.0	3.0	3.0
88 AHCCCS - Skilled Nursing Provider Rate Increase		2.7	2.7	2.7
89 AHCCCS - Increase Critical Access Hospital Funding		1.8	1.8	1.8
90 AHCCCS - Eliminate County DUC Pool Payments		2.6	2.6	2.6
91 AHCCCS - Suicide Prevention Coordinator		0.1	0.1	0.1
92 Attorney General - Rent Adjustment (\$638k)		(0.6)	(0.6)	(0.6)
93 Attorney General - Child Advocacy Fund Deposit		0.1	0.1	0.1

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

	A	B	C	D
	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
94 DCS - Adoption Services		1.2	1.2	1.2
95 DCS - Remove FY 21 Automation Funding (\$5 M in Baseline in FY 19 - FY 21)				(5.0)
96 Commerce Authority - Reduce Competes Fund Deposit (From \$11.5 M to \$5.5 M)		Start in FY 20	(6.0)	(6.0)
97 Corrections - Health Care Adjustment		15.0	15.0	15.0
98 Corrections - Retirement Adjustment		26.5	26.5	26.5
99 Corrections - Private Prison Capacity Cap		(2.8)	(2.8)	(2.8)
100 Corrections - FY 20 Lease-Purchase Savings - Post Baseline JLBC Score			(3.1)	(3.1)
101 Counties - Ongoing \$550k Distribution (Pinal/Yavapai/Mohave)		1.7	1.7	1.7
102 ASDB - Early Childhood Services (FY 19 OF/FY 20 and FY 21 GF) (Separate Bill)		Other Fund - \$2.0 M	1.6	1.6
103 ASDB/ADC/DJC - Teacher Pay Increase		1.6	2.4	3.2
104 DES - Shift CRS from AHCCCS		15.2	15.2	15.2
105 DES - Shift DD Behavioral Health from AHCCCS (Baseline Shifted; Plan Does Not)		(17.1)	(17.1)	(17.1)
106 DES - DD Case Management (Baseline - \$2.9 M/ Plan - \$2.4 M)		(0.5)	(0.5)	(0.5)
107 DES - Skilled Nursing Provider Rate Increase (DD Program) (\$174k)		0.2	0.2	0.2
108 DES - Lower TANF Caseload/Fund Shift		(5.0)	(5.0)	(5.0)
109 ADE - Formula	(10.5)	(22.3)	(42.1)	(48.0)
110 ADE - Increase Additional Assistance		100.0	167.8	235.6
111 ADE - Additional Teacher Pay Funding		176.2	340.9	465.3
112 ADE - IT Funding (ELAS)		5.3	5.3	5.3
113 ADE - Computer Science Pilot Program		1.0	1.0	1.0
114 ADE - Fully Fund Large JTEDs		1.8	1.8	1.8
115 ADE - Teacher Salary Increase in Base Level		Yes		
116 ADE - Geographic Literacy		0.1	0.1	0.1
117 ADE - Secondary Property Tax Reform		(19.0)	(19.0)	(19.0)
118 DEMA - Efficiency Savings (\$130k)		(0.1)	(0.1)	(0.1)
119 DEQ - WQARF Fund Shift to Non-GF		(2.8)	(2.8)	(2.8)
120 Ofc. Of Equal Opportunity - ADOA Personnel Division Fund Shift		(0.2)	(0.2)	(0.2)
121 Executive Clemency - Part-time Hearing Officer (\$33k)		0.1	0.1	0.1
122 Executive Clemency - Board Member Pay Increase (\$125k)		0.1	0.1	0.1
123 Dept. of Financial Institutions - Fund Shifts (\$250k)		(0.3)	(0.3)	(0.3)
124 Forestry - Hazardous Vegetation Funding (\$650k)		0.7	0.7	0.7
125 Forestry - Fire Suppression Fund Shift to Land Dept. Funds		(0.8)	(0.8)	(0.8)
126 Governor - Efficiency Savings (\$44k)		(0.1)	(0.1)	(0.1)
127 Governor - OSPB - Efficiency Savings (\$10k)		(0.1)	(0.1)	(0.1)
128 DHS - Radiation Regulatory Fund Shift		(0.8)	(0.8)	(0.8)

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

		A	B	C	D
		FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
129	DHS - AIDS Reporting Fund Shift		(1.0)	(1.0)	(1.0)
130	DHS - Vital Records Fund Shift (\$250k)		(0.3)	(0.3)	(0.3)
131	DHS - End County Payment State Hospital SVP		3.0	3.0	3.0
132	Historical Society - Grants Specialist (\$30k)		0.1	0.1	0.1
133	Insurance - Efficiency Savings (Vacancy Savings)		(0.2)	(0.2)	(0.2)
134	Judiciary - Adult Standard Probation Funding		0.4	0.6	0.6
135	Judiciary - Probation Salary Deficit		0.6	0.6	0.6
136	Judiciary - Fund Maricopa Judges Salaries at 50% (2 Year Phase In/Start in FY 20)			6.5	13.1
137	DJC - 32 Youth Correctional Officers		2.1	2.1	2.1
138	DJC - Fund Shift to Land Trust Funds		(1.0)	(1.0)	(1.0)
139	DJC - Retirement Adjustment		2.1	2.1	2.1
140	Land - Fund Shift to Trust Management Fund		(1.2)	(1.2)	(1.2)
141	Leg. - Aud. General - Rent Adjustment (\$228k)		0.2	0.2	0.2
142	Leg. - Aud. General - Additional Capacity for Caseload		0.2	0.2	0.2
143	Leg. - Aud. General - Additional Staff (FY 19 - \$585k/FY 20 - \$1.08 M)		0.6	1.1	1.1
144	Leg. - Ombudsman - Salary/Rent (\$52k)		0.1	0.1	0.1
145	Postsecondary Ed - Remove College Readiness Funding (\$235k)		(0.2)	(0.2)	(0.2)
146	DPS - Don't Restore GILTEM Funding (Redirect to DPS Mobile Housing)		(1.2)	(1.2)	(1.2)
147	DPS - Retirement Adjustment		0.2	0.2	0.2
148	DPS - Fund Shifts (MVLIE - \$1.25 M / CCW and Other Funds - \$2.5 M)		(3.8)	(3.8)	(3.8)
149	DPS - Highway Safety Fee Offset			(51.7)	(51.7)
150	Real Estate - Efficiency Savings (\$91k)		(0.1)	(0.1)	(0.1)
151	Revenue - Reduced Postage Costs (\$425k)		(0.4)	(0.4)	(0.4)
152	Revenue - Lump Sum Reduction		(0.5)	(0.5)	(0.5)
153	Revenue - Rent Savings		(0.5)	(0.5)	(0.5)
154	Revenue - Fund Shift to Liability Setoff Fund		(0.4)	(0.4)	(0.4)
155	Revenue - Enforcement Staff 25 FTE		2.0	2.0	2.0
156	Sec of State - Election Funding (\$4 M Total)		Plus OF - \$615k		
157	Tax Appeals - Employee Benefits Costs (\$11k)	0.1	0.1	0.1	0.1
158	Transportation - Fund Shift (\$51k)		(0.1)	(0.1)	(0.1)
159	Water Resources - Fund Shift to Water Resources Fund		(0.3)	(0.3)	(0.3)
160	Other - Agency Reductions (Starting in FY 20)			(8.0)	(8.0)
161	Other - IT Pro Rata Charge Increase		0.7	0.7	0.7
162	Other - Retirement Adjustment (Non-ADC/DJC/DPS)		1.7	1.7	1.7
163	Other - EORP Retirement Adjustment (Includes Superior Court)		4.7	4.7	4.7

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

	A	B	C	D
	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
164 Other - Increase Revertments Estimate		(4.3)	(4.3)	(4.3)
165 Capital - Agency Rent Adjustments (All Other - \$499k)		(0.5)	(0.5)	(0.5)
166 Capital - State Building Rent Increase		3.3	3.3	3.3
167 Subtotal - Ongoing Changes to JLBC Baseline	\$ (27.6)	\$ 195.8	\$ 362.5	\$ 567.4
168 Total Ongoing Spending	\$ 9,638.7	\$ 10,154.6	\$ 10,696.6	\$ 11,218.2
169 JLBC Baseline One-Time Spending	\$ 161.7	\$ 96.8	\$ 57.9	\$ 27.1
One-Time Changes to JLBC Baseline				
170 Agriculture - Medical Marijuana Testing (Separate Bill)		Other Fund \$2.0 M		
171 Agriculture - Industrial Hemp Licensing Start Up Funding (\$750k) (Bill)		0.8		
172 AHCCCS - Substance Use Disorder Services Fund Deposit (Opioid Bill) 10.0				
173 AHCCCS - Health Insurer Fee Savings - Post Baseline JLBC Score (Federal CR)			(22.9)	
174 Arts - Continue One-Time Funding		BSF - \$2.0 M		
175 Attorney General - Sec of State Litigation Expenses Risk Mgmt - 0.5 M		Risk Mgmt - 0.5 M		
176 DCS - Revert DCS Backlog Privatization Appropriation (2.7)				
177 Corp Comm. - Railway Safety Inspectors (Separate Bill)		0.2		
178 Counties - DJC Offset		11.3		
179 Counties - Yavapai Sheriff Reentry Planning (Separate Bill)		Other Fund - \$0.5 M	Other Fund - 0.5 M	Other Fund - 0.5 M
180 Counties - Partial EORP Cost Offset		1.7		
181 ACJC - Computerized Criminal History Upgrade		Other Fund - \$0.6 M	Other Fund - 0.6 M	Other Fund - 0.6 M
182 DES - Food Banks		1.0		
183 DES - DD One-Time Funding		13.0		
184 ADE - Prop 301 Bridge		64.1	64.1	64.1
185 ADE - Navajo Code Writing Program (Separate Bill)		Other Fund - \$0.5 M		
186 ADE - Civics Pilot Program (Separate Bill)			0.5	
187 ADE - Gifted Pupils		1.0		
188 ADE - Mayer Unified School District Funding 0.3				
189 Forestry - Fire Suppression Supplemental 4.1				
190 DHS - Alzheimers Funding (OF - Health Research Fund)		Other Fund - \$2.0 M		
191 Governor - Continue Youth Education Success One-Time Funding		1.5		
192 DPS - Peace Officer Training		CCW - \$0.8 M		
193 PSPRS - Prescott Fire Employer Group Deposit		1.0		
194 Racing - Breeders Award Fund (OF - Racing Regulation Fund)		Other Fund - \$250k		

GENERAL FUND BUDGET 4-YEAR ANALYSIS!

\$ in Millions

	A	B	C	D
	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
195 SFB - Building Renewal Funding - One-Time	10.0	34.4		
196 SFB - New Construction - Final Conceptual Approvals			(5.1)	(3.4)
197 Sec of State - Congressional Special Election	2.5			
198 Sec of State - Voter Registration Database		HAVA - \$2.0 M		
199 Sec of State - Revert Unused Prop 123 Election Funds	(3.0)			
200 Transportation - West Valley Project - \$60k		0.1		
201 Universities - ASU - One-time Funding		4.2		
202 Universities - NAU - One-time Funding		1.6		
203 Universities - UA - One-time Funding		2.2		
204 Universities - ASU - Arizona and Mexico Economic Development (\$250k)		0.3		
205 Universities - NAU - One-time Freedom School Funding		0.5		
206 Universities - Freedom Schools (\$1 M ASU (\$100k Oxford Program) / \$1 M UA)		2.0		
207 Water Resources - Water Study		0.1		
208 Water Resources - Water Protection Fund Deposit (Separate Bill)		0.4		
209 Other - HITF - General Fund Deposit		10.0		
210 Other - Named Claimants (\$60k)/Vet. Services - Hyperbaric Oxygen (\$25k)		0.1		
211 Capital - ADOA - Repeal FY 2019 Building Renewal Advance Approp		(5.7)		
212 Capital - DEMA - Tucson Readiness Center		3.7		
213 Capital - DPS - Modular Housing (Redirect \$1.2 M From GIITEM Line)		1.2		
214 Capital - ADOT - I-10 Project VW Lawsuit Fund Shift		(12.5)		
215 Capital - ADOT - I-10 Project Reversion (\$230k)	(0.2)			
216 Subtotal - One-Time Changes to JLBC Baseline	\$ 21.0	\$ 138.2	\$ 36.6	\$ 60.7
217 Total One-Time Spending	\$ 182.7	\$ 235.0	\$ 94.5	\$ 87.8
218 Total Spending	\$ 9,821.4	\$ 10,389.6	\$ 10,791.1	\$ 11,306.0
219 Cash Balance	\$ 204.4	\$ 235.7	\$ 188.2	\$ 103.0
220 Structural Balance	\$ 109.8	\$ 150.6	\$ 45.2	\$ 2.6

5/3 Plan
Statement of General Fund Revenues and Expenditures 1/
With One-Time Financing Sources

	FY 2018 5/3	FY 2019 5/3	FY 2020 5/3	FY 2021 5/3
REVENUES				
Ongoing Revenues	\$10,429,319,800	\$10,921,547,200	\$11,322,813,900	\$11,815,412,900
Previously Enacted Changes		(75,296,200)	(6,433,300)	(5,800,000)
Newly Enacted Changes		61,490,400	64,490,400	64,490,400
Highway Safety Fee Offset/Transfers		72,364,500	55,670,000	55,670,000
Urban Revenue Sharing	(680,770,100)	(674,804,400)	(694,639,400)	(708,904,300)
Net Ongoing Revenues	\$9,748,549,700	\$10,305,301,500	\$10,741,901,600	\$11,220,869,000
One-time Financing Sources				
Balance Forward	150,871,000	204,541,900	236,019,800	188,490,900
Moody's Settlement Fund Transfer	8,172,700			
One-Time Base Revenue	72,000,000			
TY 2017 IRC Conformity		(5,000,000)		
Fund Transfers	46,219,000	120,681,700	1,840,700	
Subtotal One-time Revenues	\$277,262,700	\$320,223,600	\$237,860,500	\$188,490,900
Total Revenues	\$10,025,812,400	\$10,625,525,100	\$10,979,762,100	\$11,409,359,900
EXPENDITURES				
Operating Budget Appropriations	\$9,708,061,800	\$10,199,723,300	\$10,741,733,300	\$11,263,245,200
FY 2018 Supplementals	500,500			
Administrative Adjustments	100,000,000	100,000,000	100,000,000	100,000,000
Reversions	(169,988,800)	(145,000,000)	(145,000,000)	(145,000,000)
Subtotal Ongoing Expenditures	\$9,638,573,500	\$10,154,723,300	\$10,696,733,300	\$11,218,245,200
One-time Expenditures				
Capital Outlay	5,700,000	4,959,000		
Operating One-Time Spending	180,142,500	242,346,500	117,431,500	87,875,500
FY 2018 One-Time Supplementals	20,985,400			
ADOT One-Time Savings		(12,523,500)		
AHCCCS One-Time Savings	(24,130,900)		(22,893,600)	
Subtotal One-time Expenditures	\$182,697,000	\$234,782,000	\$94,537,900	\$87,875,500
Total Expenditures	\$9,821,270,500	\$10,389,505,300	\$10,791,271,200	\$11,306,120,700
Ending Balance <u>2/</u>	\$204,541,900	\$236,019,800	\$188,490,900	\$103,239,200
Structural Balance <u>3/</u>	\$109,976,200	\$150,578,200	\$45,168,300	\$2,623,800

1/ Significant one-time revenues and expenditures are separately detailed so as to permit the calculation of ongoing revenue and expenditures.

2/ This calculation reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.

3/ This calculation reflects the difference between ongoing revenues and expenditures and excludes one-time adjustments. Excludes any Budget Stabilization Fund balance.

DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
OPERATING SPENDING CHANGES				
DOA - Arizona Department of Administration	10,365,300			8,093,800
DOA - Remove Health Insurance Adjustment		(100,800)		
DOA - GTO Funding			(1,000,000)	
DOA - AZ Net Contract Savings			(45,000)	
DOA - Utility Savings			(625,700)	
DOA - Efficiency Savings			(500,000)	
APF - Automation Projects Fund/ADOA	12,300,000			5,000,000
APF - Remove ADE Automation (One-Time)		(7,300,000)		
APF - Shift DCS Automation from DCS Agency Budget		(5,000,000)	5,000,000	
OAH - Office of Administrative Hearings	870,900			873,800
OAH - Remove Health Insurance Adjustment		(10,400)		
OAH - 1740 W Adams Relocation			13,300	
AAM - Commission of African-American Affairs	125,800			125,000
AAM - Remove Health Insurance Adjustment		(800)		
AGR - Department of Agriculture	9,563,700			10,231,800
AGR - Remove Health Insurance Adjustment		(146,400)		
AGR - Remove One-time Equipment		(61,000)		
AGR - Livestock Inspector Salary Increase			200,000	
AGR - Salt River Horse Management			50,500	
AGR - Efficiency Savings			(125,000)	
AGR - Industrial Hemp Licensing (Separate Bill)			750,000	
AXS - AHCCCS	1,775,264,100			1,776,815,700
AXS - Remove Health Insurance Adjustment		(396,800)		
AXS - Formula Changes		81,963,200	(65,568,600)	
AXS - Other Adjustments		20,703,700		
AXS - Funding Shift to DHS		(1,200,000)		
AXS - CRS Health Services to DES			(15,212,700)	
AXS - DD Behavioral Health Services Transfer to DES		(17,095,500)	17,095,500	
AXS - American Indian Health Program Admin Shift			(545,300)	
AXS - American Indian Health Program Admin Staffing			347,700	
AXS - Reallocate Tobacco Funds			(35,154,400)	
AXS - End Prior Quarter Coverage			(2,511,300)	

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
AXS - 2.5% Hospital Provider Rate Increase			9,853,800	
AXS - Behavioral Health in Schools			3,000,000	
AXS - Skilled Nursing Provider Rate Increase			2,727,900	
AXS - Increase Critical Access Hospital Funding			1,800,000	
AXS - Eliminate County DUC Pool Payments			2,646,200	
AXS - Reduce BHS Out of Network Usage			(1,001,800)	
AXS - Suicide Prevention Coordinator			100,000	
ATT - Attorney General	26,344,200			25,530,200
ATT - Remove Health Insurance Adjustment		(275,700)		
ATT - Rent Adjustment			(638,300)	
ATT - Child Advoacy Fund Deposit			100,000	
CHA - State Board for Charter Schools	1,200,600			1,185,200
CHA - Remove Health Insurance Adjustment		(15,400)		
DCS - Department of Child Safety	379,790,800			375,554,800
DCS - Remove Health Insurance Adjustment		(416,000)		
DCS - Adoption Services			1,180,000	
DCS - Lower TANF Caseload/Fund Shift			(5,000,000)	
DCS - Shift DCS Automation to DCS Agency Budget		5,000,000	(5,000,000)	
ACA - Arizona Commerce Authority	21,800,000			21,800,000
ACA - Reduce Competes Fund Deposit By \$6 M (\$11.5 M to \$5.5 M)			Begin in FY 20	
CCO - Arizona Community Colleges	55,086,500			56,899,900
CCO - Formula Changes		1,663,400		
CCO - Tribal Community College Funding (Tohono O'odham Nation)		200,000		
CCO - Remove One-time Gila County Workforce Development Funding		(50,000)		
COR - Corporation Commission	621,500			808,200
COR - Remove Health Insurance Adjustment		(9,900)		
COR - Railway Safety Inspectors - 2 FTE (One-Time)			196,600	
ADC - Department of Corrections	1,067,624,800			1,094,001,200
ADC - Remove Health Insurance Adjustment		(12,319,800)		
ADC - Health Care Adjustment			15,000,000	
ADC - Retirement Adjustment			26,506,600	
ADC - Private Prison Capacity Cap			(2,810,400)	
CF - County Funding	15,650,700			20,566,200
CF - DJC Offset (One-time)		(8,000,000)	11,260,000	

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
CF - \$550k Distribution to Mohave/Yavapai/Pinal (Ongoing)		(1,650,200)	1,650,200	
CF - Partial EORP Cost Offset			1,655,500	
SDB - Arizona State Schools for the Deaf and the Blind	21,932,000			21,378,100
SDB - Remove Health Insurance Adjustment		(553,900)		
OEC - Office of Economic Opportunity	484,100			484,100
DES - Department of Economic Security	586,110,300			649,687,900
DES - Remove Health Insurance Adjustment		(558,900)		
DES - DD Caseload/Inflation Funding		37,949,600		
DES - CRS Health Services From AHCCCS			15,212,700	
DES - DD Behavioral Health Services Transfer from AHCCCS		17,095,500	(17,095,500)	
DES - DD Room and Board		6,400,000		
DES - Targeted Case Management Program Costs		2,939,000	(539,000)	
DES - Remove One-Time Additional Prop 206 Funding		(10,000,000)		
DES - Remove One-Time DD Room and Board Funding		(2,000,000)		
DES - One-Time Food Bank			1,000,000	
DES - One-Time Additional Prop 206 Funding			11,000,000	
DES - One-Time DD Room and Board Funding			2,000,000	
DES - Skilled Nursing Provider Rate Increase (DD Portion)			174,200	
BOE - State Board of Education	1,153,600			1,142,800
BOE - Remove Health Insurance Adjustment		(10,800)		
ADE - Arizona Department of Education	4,226,958,400			4,704,437,800
ADE - Remove Health Insurance Adjustment		(154,900)		
ADE - Base Adjustment		8,844,800		
ADE - Enrollment Growth		95,310,000	(11,300,000)	
ADE - Inflation		104,941,100		
ADE - New Construction		(53,142,800)		
ADE - Property Tax Statutory Changes		600,000		
ADE - Homeowner's Rebate		12,539,000		
ADE - Land Trust Distribution		(41,260,700)		
ADE - Special Education Fund Surplus		(8,000,000)		
ADE - 1.06% Teacher Salary Increase		33,107,500		
ADE - Results-Based Funding		11,000,000	(11,000,000)	
ADE - Early Literacy Funding		4,000,000		
ADE - Empowerment Scholarship Accounts		262,400		
ADE - Geographic Literacy Funding		(100,000)	100,000	
ADE - Remove One-Time Teacher Professional Development Pilot		(300,000)		
ADE - Increase Additional Assistance			100,000,000	

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
ADE - Teacher Pay Increase			176,200,000	
ADE - Prop 301 Bridge			64,100,000	
ADE - Other Agency Teacher Funding (ASDB/ADC/DJC)			1,585,700	
ADE - IT Funding			5,300,000	
ADE - Computer Science Pilot Program			1,000,000	
ADE - Fully Fund Large JTEDs			1,800,000	
ADE - Secondary Property Tax Reform			(18,952,700)	
ADE - Gifted Pupils			1,000,000	
EMA - Department of Emergency & Military Affairs	11,238,300			11,065,100
EMA - Remove Health Insurance Adjustment		(43,200)		
EMA - Efficiency Savings			(130,000)	
DEQ - Department of Environmental Quality	2,823,600			0
DEQ - WQARF Fund Shift			(2,823,600)	
OEO - Governor's Office of Equal Opportunity	191,900			0
OEO - Remove Health Insurance Adjustment		(2,800)		
OEO - Fund Shift to ADOA Personnel Division Fund			(189,100)	
EQU - State Board of Equalization	646,400			643,000
EQU - Remove Health Insurance Adjustment		(3,400)		
EXE - Board of Executive Clemency	963,500			1,112,100
EXE - Remove Health Insurance Adjustment		(10,900)		
EXE - Hearing Officer			33,600	
EXE - Board Member Pay Increase			125,900	
DFI - Dept of Financial Institutions	2,201,000			1,903,200
DFI - Remove Health Insurance Adjustment		(47,800)		
DFI - Fund Shift			(200,000)	
DFI - Attorney General ISA Reallocation			(50,000)	
FOR - Department of Forestry and Fire Management	11,922,500			11,100,300
FOR - Remove Health Insurance Adjustment		(67,200)		
FOR - Remove One-Time Post-Release Fire Crew Equipment		(465,100)		
FOR - Remove One-Time Fire Communication Equipment		(139,900)		
FOR - Hazardous Vegetation Adjustment			650,000	
FOR - Fire Suppression Shift to Land Dept. Funds			(800,000)	
GAM - Department of Gaming	1,779,500			1,779,500

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
GOV - Office of the Governor	8,871,400			8,305,500
GOV - Remove Health Insurance Adjustment		(71,500)		
GOV - Efficiency Savings			(44,400)	
GOV - One-Time Foster Youth Education Success Program		(1,500,000)	1,500,000	
GOV - Remove One-Time School Leadership Training Funding		(250,000)		
GOV - Remove One-Time Computer Science Initiative Funding		(200,000)		
OSP - Gov's Office of Strategic Planning & Budgeting	2,014,600			1,983,900
OSP - Remove Health Insurance Adjustment		(20,600)		
OSP - Appropriation Savings			(10,100)	
DHS - Department of Health Services	87,669,400			89,596,400
DHS - Remove Health Insurance Adjustment		(1,032,800)		
DHS - Funding Shift from AHCCCS		1,200,000		
DHS - Radiation Regulatory Agency Transfer to DHS		787,600		
DHS - Radiation Regulatory Fee Shift From General Fund			(773,400)	
DHS - Fund Shift AIDS Reporting/Surveillance SLI			(1,000,000)	
DHS - End County Payment State Hospital SVP			2,995,600	
DHS - Efficiency Savings			(250,000)	
AZH - Arizona Historical Society	3,179,800			3,172,500
AZH - Remove Health Insurance Adjustment		(37,300)		
AZH - Grants Specialist			30,000	
PAZ - Prescott Historical Society	840,200			824,500
PAZ - Remove Health Insurance Adjustment		(15,700)		
DOH - Department of Housing	830,000			0
DOH - Self-Funding for Manufactured Housing (Laws 2017, Ch. 335)		(830,000)		
INS - Department of Insurance	5,878,300			5,616,900
INS - Remove Health Insurance Adjustment		(71,900)		
INS - Efficiency Savings			(189,500)	
SPA - Judiciary - Supreme Court	18,812,000			18,628,700
SPA - Remove Health Insurance Adjustment		(330,600)		
SPA - 1.5% Judicial Pay Raise		10,300		
SPA - Risk Management Funding Shift		137,000		
COA - Judiciary - Court of Appeals	14,723,000			14,581,400
COA - Remove Health Insurance Adjustment - Division I		(122,400)		

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
COA - Remove Health Insurance Adjustment - Division II		(50,300)		
COA - 1.5% Judicial Pay Raise		31,100		
SUP - Judiciary - Superior Court	77,183,700			78,493,700
SUP - 1.5% Judicial Pay Raise		56,200		
SUP - Maricopa County Court Ordered Removals		240,000		
SUP - Adult Standard Probation Growth			413,000	
SUP - Probation Salary Deficit			600,800	
DJC - Department of Juvenile Corrections	19,549,800			22,421,000
DJC - Remove Health Insurance Adjustment		(394,100)		
DJC - Population Increase			2,126,300	
DJC - Retirement Adjustment			2,139,000	
DJC - Fund Shift			(1,000,000)	
LAN - State Land Department	12,365,900			11,471,600
LAN - Remove Health Insurance Adjustment		(143,400)		
LAN - CAP Fees		449,100		
LAN - Efficiency Savings			(1,200,000)	
Legislature				
AUD - Auditor General	18,688,800			19,560,000
AUD - Remove Health Insurance Adjustment		(249,800)		
AUD - Rent Adjustment			228,000	
AUD - Additional Capacity for Caseload			200,000	
AUD - Additional Staff			585,500	
AUD - Special Investigative Unit		107,500		
HOU - House of Representatives	13,419,100			13,201,500
HOU - Remove Health Insurance Adjustment		(217,600)		
JLBC - Joint Legislative Budget Committee	2,513,800			2,488,300
JLBC - Remove Health Insurance Adjustment		(25,500)		
LEG - Legislative Council	8,278,400			8,268,200
LEG - Remove Health Insurance Adjustment		(63,000)		
LEG - Ombudsman Salary Increase/Rent Adjustment			52,800	
SEN - Senate	9,548,100			9,408,500
SEN - Remove Health Insurance Adjustment		(139,600)		

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
MIN - State Mine Inspector	1,226,800			1,212,500
MIN - Remove Health Insurance Adjustment		(14,300)		
NAV - Arizona Navigable Steam Adjudication Comm.	125,500			124,000
NAV - Remove Health Insurance Adjustment		(1,500)		
POS - Commission for Postsecondary Education	1,881,800			1,646,800
POS - Remove College Readiness Funding (Exec Labels One-Time)			(235,000)	
DPS - Department of Public Safety	109,614,200			103,893,900
DPS - Remove Health Insurance Adjustment		(959,600)		
DPS - Remove One-Time Sexual Assault Kit Testing		(1,200,000)		
DPS - GIITEM Funding Restoration		1,200,000	(1,200,000)	
DPS - Fund Shifts			(3,750,000)	
DPS - Retirement Adjustment			189,300	
PSP - Public Safety Personnel Retirement System	6,000,000			7,000,000
PSP - Prescott Fire Employer Group Deposit (One-Time)			1,000,000	
RAD - Radiation Regulatory Agency	787,600			0
RAD - Shift Agency to DHS		(787,600)		
REA - State Real Estate Department	3,028,000			2,904,400
REA - Remove Health Insurance Adjustment		(33,100)		
REA - Efficiency Savings			(90,500)	
REV - Department of Revenue	31,291,300			30,682,700
REV - Remove Health Insurance Adjustment		(783,600)		
REV - Reduce Postage Costs			(425,000)	
REV - Rent Savings			(500,000)	
REV - Lump Sum Reduction			(500,000)	
REV - Additional Enforcement Staff (25 FTE)			2,000,000	
REV - Fund Shift			(400,000)	
SFB - School Facilities Board	292,286,600			274,666,300
SFB - Remove Health Insurance Adjustment		(14,000)		
SFB - New School Construction (FY 17 Starts)		(23,078,600)		
SFB - New Construction (FY 18 Starts)		(25,940,000)		
SFB - New Construction (FY 19 Starts)		49,636,700		
SFB - Existing Debt Service Changes		(35,474,400)		
SFB - FY 18 One-time Building Renewal Grants		(17,167,900)		
SFB - New One-Time Building Renewal Grants			34,417,900	

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
SOS - Secretary of State	12,190,100			14,947,700
SOS - Remove Health Insurance Adjustment		(126,900)		
SOS - Voter Registration Database			HAVA	
SOS - Restore Election Funding (2018 Primary and General Election)		3,384,500	Other Fund - \$615k	
SOS - Remove One-Time Operating Funding		(500,000)		
TAX - State Board of Tax Appeals	268,300			277,700
TAX - Remove Health Insurance Adjustment		(1,700)		
TAX - ERE Cost Increase			11,100	
TOU - Office of Tourism	7,112,000			7,112,000
DOT - Department of Transportation	50,500			65,000
DOT - Remove Health Insurance Adjustment		(100)		
DOT - West Valley Transportation			65,000	
DOT - Fund Shift			(50,400)	
TRE - State Treasurer	1,205,100			1,205,100
OTR - Governor's Office on Tribal Relations	58,000			57,500
OTR - Remove Health Insurance Adjustment		(500)		
UNI - Universities				
UNI - Arizona Board of Regents	6,909,300			6,887,200
UNI - Remove Health Insurance Adjustment		(22,100)		
UNI - ASU	320,259,000			327,531,700
UNI - Remove Health Insurance Adjustment		(2,507,900)		
UNI - Refinance Adjustment		(2,300)		
UNI - One-time Operating/Capital Funding		(7,639,500)	4,245,000	
UNI - Arizona and Mexico Economic Development			250,000	
UNI - Freedom School			1,000,000	
UNI - 2017 Capital Infrastructure Funding		11,927,400		
UNI - Northern Arizona University	108,612,800			111,963,900
UNI - Remove Health Insurance Adjustment		(56,900)		
UNI - Refinance Adjustment		(300)		
UNI - One-time Operating/Capital Funding		(3,202,800)	1,590,200	
UNI - Freedom School			500,000	
UNI - 2017 Capital Infrastructure Funding		4,520,900		

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
UNI - UA - Main Campus	199,600,900			207,637,200
UNI - Remove Health Insurance Adjustment		(1,524,200)		
UNI - Refinance Adjustment		1,700		
UNI - One-time Operating/Capital Funding		(4,157,700)	2,164,800	
UNI - Freedom School			1,000,000	
UNI - 2017 Capital Infrastructure Funding		10,551,700		
UNI - UA - Health Sciences Center	69,437,700			68,859,800
UNI - Remove Health Insurance Adjustment		(577,900)		
VSC - Department of Veterans' Services	6,115,800			6,079,100
VSC - Remove Health Insurance Adjustment		(61,700)		
VCS - Hyperbaric Oxygen Therapy Ch. 98			25,000	
WAT - Department of Water Resources	16,001,900			16,054,200
WAT - Remove Health Insurance Adjustment		(147,700)		
WAT - Fund Shift			(300,000)	
WAT - Water Study			100,000	
WAT - Water Protection Fund Deposit (One-Time)			400,000	
OTH - Other				
OTH - FY 18 Supplementals/Ex-Appropriations	21,485,900	1,061,200		0
OTH - Debt Service Payments	84,115,100	(3,100)		84,112,000
OTH - Phoenix Convention Center Debt Service	22,499,000	497,300		22,996,300
OTH - Rio Nuevo District	14,000,000			14,000,000
OTH - IT Pro-Rata Charge Increase	0		686,300	686,300
OTH - State Building Rent Increase	0		3,265,500	3,265,500
OTH - Retirement Rate Adjustment	0		1,732,500	1,732,500
OTH - ADOT I-10 Project Reversion (VW Settlement)	0		(12,523,500)	(12,523,500)
OTH - Administrative Adjustments	100,000,000			100,000,000
OTH - Revertments	(169,988,800)		(4,317,500)	(145,000,000)
OTH - Unallocated HITF One-Time Employer Premium	15,800	(15,800)	10,000,000	10,000,000
OTH - Elected Officials Retirement Adjustments	0	0	4,727,200	4,727,200
OTH - Agency Rent Adjustments	0	0	(501,000)	(501,000)
TOTAL - OPERATING SPENDING CHANGES	9,815,570,500	227,638,600	334,578,000	10,384,546,300
CAPITAL SPENDING				
ADOA Building Renewal	5,700,000		(5,700,000)	0
Local HURF Transportation Funding	OF - \$30 M			
DEMA - Tucson Readiness Center	0		3,759,000	3,759,000

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
DPS Modular Housing	0		1,200,000	1,200,000
TOTAL - CAPITAL SPENDING	5,700,000	0	(741,000)	4,959,000
TOTAL - ALL SPENDING	9,821,270,500	227,638,600	333,837,000	10,389,505,300
REVENUE CHANGES				
Ongoing Revenue				
REV - Ongoing Revenue	9,820,549,700	298,896,900	224,000,000	10,171,446,600
REV - Expand Tax Fraud Prevention to TPT	0		30,000,000	30,000,000
REV - Additional Revenue/Increased Enforcement Staff	0		25,000,000	25,000,000
REV - Eliminate Ongoing Judiciary Fund Transfers	0		(2,600,000)	(2,600,000)
REV - Increase Military Pension Exemption to \$3,500 (2-Year Phase In)	0		Start in FY 20	Start in FY 20
REV - Cap Radiation Regulatory Fees Shift From General Fund	0		(773,400)	(773,400)
REV - Boxing/MMA Fees Shift From General Fund	0		(45,100)	(45,100)
REV - Liquor Revenue Loss From Agency Issues	0		(91,100)	(91,100)
REV - TPT Online Lodging Marketplace/Sales Suppression Software	0		10,000,000	10,000,000
REV - ADOT - HELP Fund (Highway Safety Fee Offset)	0		30,000,000	30,000,000
REV - ADOT - State Highway Fund VLT Transfer (Highway Safety Fee Offset)	0		42,364,500	42,364,500
One-Time Revenue				
REV - Beginning Balance	150,871,000	(150,871,000)	204,541,900	204,541,900
REV - Tax Year 2017 IRC Conformity	0		(5,000,000)	(5,000,000)
Enacted Fund Transfers				
REV - Attorney General - Moody's Settlement	8,172,700	(8,172,700)		0
New Proposed Fund Transfers				
REV - ADOA - Air Quality Fund	188,000		0	0
REV - ADOA - Employee Benefit Plan Fund	0		2,500,000	2,500,000
REV - ADOA - AFIS II Fund	0		772,300	772,300
REV - ADOA - Motor Pool Revolving Fund	0		255,500	255,500
REV - AHCCCS - IGA and ISA Fund	0		5,900,000	5,900,000
REV - AHCCCS - Hospital Loan Residency Program	900,000		0	0
REV - AHCCCS - Prescription Drug Rebate Fund	0		52,600,000	52,600,000
REV - Attorney General - VW Settlement Transfer	0		20,000,000	20,000,000
REV - Contractors - Recovery Fund	0		4,000,000	4,000,000
REV - Corp. Comm. - Pipeline Safety Revolving Fund	0		100,000	100,000
REV - Corrections - Corrections Fund	0		1,500,000	1,500,000
REV - Corrections - Building Renewal Fund	0		500,000	500,000
REV - Corrections - Special Services Fund	1,000,000		25,200	25,200
REV - Corrections - ACI Revolving Fund	0		1,500,000	1,500,000
REV - Corrections - Indirect Cost Recovery Fund	0		500,000	500,000
REV - Economic Opportunity - Operations Fund	0		2,200,000	2,200,000

	FY 2018 GF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to Baseline	FY 2019 GF 5/3
REV - Economic Opportunity - Economic Development Fund	5,085,000		0	0
REV - Economic Opportunity - Greater AZ Development Authority	1,319,000		0	0
REV - Economic Opportunity - AFA Operating Fund	0		67,000	67,000
REV - Economic Opportunity - AZ IDA Fund	0		300,000	300,000
REV - DES - Special Admin Fund	0		11,000	11,000
REV - DEQ - Hazardous Waste Management Fund	1,500,000			0
REV - DEQ - Air Quality Fund	1,500,000			0
REV - DEQ - Air Quality Fund (Volkswagen Settlement)	0		993,900	993,900
REV - DEQ - Underground Storage Tank Revolving Fund	10,000,000		10,000,000	10,000,000
REV - DEQ - Recycling Fund	2,000,000			0
REV - DEQ - Centralized Monitoring Fund	500,000			0
REV - DEQ - Permit Administration Fund	3,000,000			0
REV - DEQ - Voluntary Vehicle Repair and Retrofit Program Fund	2,500,000			0
REV - DFI - Mortgage Recovery Fund	460,000			0
REV - DFI - Financial Services Fund	5,000,000			0
REV - DFI - Receivership Revolving Fund	50,000			0
REV - Game and Fish - Watercraft Licensing	1,000,000		1,500,000	1,500,000
REV - DHS - Health Service Licensing Fund	1,500,000		1,000,000	1,000,000
REV - DHS - BHS ISA Agreement Fund	3,100,000		0	0
REV - Housing - Housing Program Fund	0		2,000,000	2,000,000
REV - Housing - Housing Trust Fund	0		400,000	400,000
REV - Industrial Commission - Admin Fund	0		7,000,000	7,000,000
REV - Judiciary - Drug Treatment and Education Fund	0		2,000,000	2,000,000
REV - DPS - Public Safety Equipment Fund	0		22,000	22,000
REV - DPS - Fingerprint Clearance Card Fund	1,000,000			0
REV - DPS - Concealed Weapons Permit Fund	2,000,000		0	0
REV - DPS - Joint Fund (Volkswagen Settlement)	0		846,800	846,800
REV - RUCO - Revolving Fund	0		60,000	60,000
REV - ADOT - Economic Strength Project Fund	500,000		0	0
REV - ADOT - Vehicle Inspection and Title Enforcement Fund	2,000,000		1,128,000	1,128,000
REV - Water Resources - IGA/ISA Fund	117,000		0	0
REV - Water Resources - Indirect Cost Recovery Fund	0		1,000,000	1,000,000
TOTAL - REVENUE CHANGES 3/	10,025,812,400	139,853,200	678,078,500	10,625,525,100
ENDING BALANCE	204,541,900	(87,785,400)	344,241,500	236,019,800

1/ Represents original FY 2018 appropriations adjusted for revisions in the Universities to consolidate ASU into a single budget unit and an increase in the estimated Rio Nuevo District distribution.

2/ Represents FY 2019 Baseline cost above FY 2018 Baseline.

3/ Represents all revenue changes, including fund transfers.

DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
OPERATING SPENDING CHANGES				
SBA - State Board of Accountancy	2,042,200			2,024,400
SBA - Remove Health Insurance Adjustment		(17,800)		
ACU - Acupuncture Board of Examiners	185,500			169,600
ACU - Remove One-Time Rulemaking Funding		(10,000)		
ACU - Remove One-Time Leave Payout Funding		(13,200)		
ACU - E-Licensing Operating Costs			6,200	
ACU - Relocation to 1740 West Adams			1,100	
DOA - Arizona Department of Administration	187,518,000			194,867,300
DOA - Remove Health Insurance Adjustment		(545,700)		
DOA - Government Transformation Office Self-Funding		(1,000,000)	1,000,000	
DOA - One-Time Funding Office of Grants and Fed. Resources		(375,900)		
DOA - Central Services Bureau Expenditure Increase			186,600	
DOA - General Services Division Operating Increase			500,000	
DOA - IT Security Funding (IT Pro Rata Increase)			2,600,000	
DOA - Adjust Insurance Claims Related Expenditures			3,648,100	
DOA - Bolin Plaza Improvements			25,300	
DOA - Fund Project Management in Operating Budget			1,500,000	
DOA - Personnel Fund Shift to OEO			(189,100)	
APF - Automation Projects Fund/ADOA	55,761,900			23,125,100
APF - Remove One-time ADE Automation Funding (See ADE)		(7,300,000)		
APF - Remove Non-Project Management ASET Funding		(11,208,600)		
APF - DCS Automation		(11,100,000)	5,000,000	
APF - Remove One-Time IT Funding		(16,014,800)		
APF - DPS Microwave Backbone Funding (Subaccount)		(2,500,000)	1,250,000	
APF - DPS Criminal Justice Information System Funding (Subaccount)		(2,343,000)	2,806,200	
APF - DEQ e-Licensing Funding (Subaccount)		(3,200,000)	3,200,000	
APF - Beh Hlth Exam/ITAC Review (Subaccount)		(595,500)	450,000	
APF - DFI e-Licensing (Subaccount)			1,400,000	
APF - State Data Center Relocation			4,697,000	
APF - ADOA Procurement System			3,000,000	
APF - ASET e-Government (Websites)			500,000	
APF - Fund Project Management in Operating Budget			(1,500,000)	
APF - HRIS IT Update			821,900	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
AGR - Department of Agriculture	1,716,500			1,709,400
AGR - Remove Health Insurance Adjustment		(7,100)		
AXS - AHCCCS	361,527,400			328,037,700
AXS - Remove Health Insurance Adjustment		(8,100)		
AXS - Formula Changes		(32,825,200)	(456,400)	
AXS - Remove Proposition 206 Report Funding		(200,000)		
ART - Arizona Commission on the Arts	1,500,000			2,000,000
ART - One-Time BSF Funding		(1,500,000)	2,000,000	
BAT - Board of Athletic Training	120,600			122,100
BAT - Remove Health Insurance Adjustment		(1,500)		
BAT - E-Licensing Ongoing Costs			6,800	
BAT - Relocation to 1740 West Adams			(3,800)	
ATT - Attorney General	46,213,900			48,523,600
ATT - Remove Health Insurance Adjustment		(394,200)		
ATT - Case Management IT System Upgrade			1,489,000	
ATT - Chase Settlement - '21 RICO Offset of \$1.4M			Yes	
ATT - Expanding the Consumer Protection Unit			961,300	
ATT - Secretary of State Litigation			500,000	
ATT - Rent Adjustment			(246,400)	
ATA - Automobile Theft Authority	5,301,400			5,295,500
ATA - Remove Health Insurance Adjustment		(5,900)		
BAR - Board of Barbers	345,800			387,500
BAR - Remove Health Insurance Adjustment		(4,000)		
BAR - E-Licensing Ongoing Costs			41,000	
BAR - Relocation to 1740 West Adams			4,700	
BHE - Board of Behavioral Health Examiners	1,777,800			1,676,700
BHE - Remove Health Insurance Adjustment		(18,700)		
BHE - Relocation to 1740 West Adams			(82,400)	
DCS - Department of Child Safety	180,610,300			189,626,900
DCS - Remove One-Time Litigation Support/Add New \$		(2,471,200)	3,770,000	
DCS - TANF Kinship Stipends Shift From DES (JLBC only)		2,972,600	(2,972,600)	
DCS - Adoption Caseload (TANF)			2,717,800	
DCS - TANF Fund Shift from DES			5,000,000	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
BCE - State Board of Chiropractic Examiners	455,100			406,900
BCE - Remove Health Insurance Adjustment		(4,000)		
BCE - Relocation to 1740 West Adams			(44,200)	
ROC - Registrar of Contractors	12,268,400			12,240,400
ROC - Remove Health Insurance Adjustment		(103,000)		
ROC - Contracting TPT Study (Separate Bill)			75,000	
COR - Corporation Commission	26,652,400			26,325,600
COR - Remove Health Insurance Adjustment		(326,800)		
ADC - Department of Corrections	51,553,200			53,959,300
ADC - Remove Health Insurance Adjustment		(5,500)		
ADC - Inmate Education Expansion			1,372,100	
ADC - Substance Abuse Treatment Expansion			540,000	
ADC - Employment Center Expansion			444,900	
ADC - Retirement Adjustment			54,600	
COS - Board of Cosmetology	1,864,500			1,802,500
COS - Remove Health Insurance Adjustment		(25,100)		
COS - One-Time Document Scanning			75,000	
COS - Relocation to 1740 West Adams			(111,900)	
JUS - Arizona Criminal Justice Commission	9,202,600			7,745,400
JUS - Remove Health Insurance Adjustment		(7,200)		
JUS - Remove One-time Felony Pre-Trial Intervention Funding		(2,750,000)		
JUS - Sheriff Mental Health Diversion 3 Yr Pilot (Bill)			500,000	
JUS - Criminal History Repository Upgrade			600,000	
JUS - Criminal Justice Statistics Pilot Program			200,000	
SDB - AZ State Schools for the Deaf and the Blind	11,878,700			13,570,100
SDB - Remove Health Insurance Adjustment		(39,800)		
SDB - Enrollment Decline		(533,900)		
SDB - Base Level Increase		195,100		
SDB - Early Childhood Identification and Services (Separate Bill)			2,070,000	
HEA - Comm for the Deaf & the Hard of Hearing	4,622,600			4,604,300
HEA - Remove Health Insurance Adjustment		(18,300)		
HEA - Remove One-Time Hearing Aid Assistance		(2,800)	2,800	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
DEN - Board of Dental Examiners	1,229,900			1,250,800
DEN - Remove Health Insurance Adjustment		(15,400)		
DEN - One-Time Document Scanning			87,800	
DEN - Relocation to 1740 West Adams			(51,500)	
DES - Department of Economic Security	294,107,700			289,180,000
DES - Remove Health Insurance Adjustment		(662,700)		
DES - TANF Kinship Stipends Shift To DCS		(2,972,600)	2,972,600	
DES - Remove One-Time APS Funding (Health Lottery Fund)		(2,000,000)		
DES - Remove One-Time Aging Services/Add New \$		(700,000)	1,171,000	
DES - Domestic Violence (Special Admin)				
DES - DD Early Intervention Shortfall (One-Time)/Report			1,900,000	
DES - Shift \$2.7 M from TANF to CCDF			Yes	
DES - AFIS Charge Adjustment			364,000	
DES - TANF Cash Surplus			(5,000,000)	
ADE - Arizona Department of Education	254,458,700			291,105,900
ADE - Remove Health Insurance Adjustment		(24,600)		
ADE - Land Trust Distribution		41,260,700	511,100	
ADE - Remove One-Time Rural Schools Distribution		(2,600,000)	0	
ADE - Navajo Code Writing (Separate Bill)			500,000	
ADE - Remove One-Time Broadband Funding		(3,000,000)		
EMA - Department of Emergency & Military Affairs	1,438,400			1,461,600
EMA - Nuclear Emergency Management Fund Increase		23,200		
DEQ - Department of Environmental Quality	80,222,400			81,768,000
DEQ - Remove Health Insurance Adjustment		(299,200)		
DEQ - WQARF Funding (ALT: No UST)		(6,536,900)	9,375,600	
DEQ - Backfill Air Quality w/VW			(993,900)	
OEO - Governor's Office of Equal Opportunity	0			189,100
OEO - Fund Shift General Fund to Personnel Fund			189,100	
COL - Arizona Exposition and State Fair Board	12,153,300			12,524,900
COL - Remove Health Insurance Adjustment		(40,000)		
COL - Proposition 206 Minimum Wage Increase			411,600	
DFI - Dept of Financial Institutions	3,226,800			3,985,000
DFI - Remove Health Insurance Adjustment		(23,300)		
DFI - Remove One-Time Equipment Funding		(6,000)		

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
DFI - New Mortgage Lending Examiners			358,300	
DFI - New Money Services Examiner			89,600	
DFI - New Financial Services Examiner			89,600	
DFI - Fund Shift General Fund to Financial Svcs Fund			200,000	
DFI - Attorney General ISA Reallocation			50,000	
EMB - Board of Funeral Directors and Embalmers	378,200			441,700
EMB - Remove Health Insurance Adjustment		(4,900)		
EMB - E-Licensing Ongoing Costs			14,800	
EMB - One-Time Document Scanning			75,000	
EMB - Relocation to 1740 West Adams			2,600	
EMB - Remove One-Time E-Licensing			(24,000)	
FIS - Arizona Game and Fish Department	44,309,200			42,488,300
FIS - Remove Health Insurance Adjustment		(349,200)		
FIS - Remove One-time Aquatic Invasive Species Funding		(285,000)		
FIS - Remove One-Time Game and Fish Trucks		(485,700)		
FIS - Remove One-Time Watercraft Safety Equipment		(701,000)		
FIS - Watercraft County Grant Shift to Operating			Yes/JLBC Review	
GAM - Department of Gaming	15,624,200			15,554,500
GAM - Remove Health Insurance Adjustment		(55,500)		
GAM - One-Time Breeders' Award Fund Deposit		(250,000)	250,000	
GAM - Restore Gaming Funding		(768,400)	768,400	
GAM - Legal Counsel			(14,200)	
DHS - Department of Health Services	52,606,500			51,765,800
DHS - Remove Health Insurance Adjustment		(344,900)		
DHS - Reduce ASH Fund (Shift of GF Monies From AHCCCS)		(1,200,000)	0	
DHS - Reduce ASH Fund (No County SVP)			(2,995,600)	
DHS - Remove One-time ASH Equipment Funding		(320,000)		
DHS - One-time Alzheimer's Research Funding (\$1 M in Base)		(1,000,000)	2,000,000	
DHS - Remove One-Time Public Health Emergency Funding		(500,000)		
DHS - Radiation Regulatory Agency Transfer to DHS		1,646,400	773,400	
DHS - Shift AIDS Reporting from GF to Disease Control			1,000,000	
DHS - Homeless Pregnant Women Services			100,000	
HOM - Board of Homeopathic & Integrated Medicine Examiners	89,000			88,300
HOM - Remove Health Insurance Adjustment		(1,700)		
HOM - Relocation to 1740 West Adams			1,000	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
DOH - Department of Housing	323,200			318,500
DOH - Remove Health Insurance Adjustment		(4,700)		
IND - Industrial Commission	20,110,400			19,881,300
IND - Remove Health Insurance Adjustment		(229,100)		
SPA - Judiciary - Supreme Court	30,313,800			30,358,800
SPA - Remove Health Insurance Adjustment		(68,000)		
SPA - Shift Risk Management Adjustment to GF (JLBC only)		(137,000)		
SPA - CASA Spending Authority Increase			250,000	
SUP - Judiciary - Superior Court	12,203,300			11,953,300
SUP - Remove One-Time Drug Treatment Alternative to Prison		(250,000)		
DJC - Department of Juvenile Corrections	16,655,100			17,648,900
DJC - Remove Health Insurance Adjustment		(264,300)		
DJC - Shift from General Fund to Trust Fund			1,000,000	
DJC - Teacher Pay			150,000	
DJC - Retirement Adjustment			108,100	
LAN - State Land Department	7,250,000			8,047,100
LAN - Remove Health Insurance Adjustment		(2,900)		
LAN - Remove One-Time Professional Service Contracts		(250,000)		
LAN - Remove One-Time Re-assess Federal Permits		(750,000)		
LAN - Remove One-Time Rights of Way Digitization		(450,000)		
LAN - Remove One-Time Survey Assets		(500,000)		
LAN - Remove One-Time Workflow Digitization		(500,000)		
LAN - Convert One-Time Funding to Lump Sum Ongoing Support			1,250,000	
LAN - ISA for Fire Suppression Efforts on State Trust Land			800,000	
LAN - Trust Land Management Fund Shift			1,200,000	
Legislature				
LEG - Auditor General	200,000			0
LEG - Remove One-Time Funding For CAWCD Audit		(200,000)		
LIQ - Department of Liquor Licenses & Control	3,047,500			3,098,500
LIQ - Remove Health Insurance Adjustment		(40,100)		
LIQ - Fleet Reduction			(4,500)	
LIQ - Licensing Vacancy			(41,700)	
LIQ - Rent Savings - Tucson			(10,000)	
LIQ - E-Licensing Subscription Costs			147,300	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
LOT - Arizona State Lottery Commission	116,778,600			125,239,500
LOT - Remove Health Insurance Adjustment		(104,800)		
LOT - Sales Adjustment		3,851,300	3,924,400	
LOT - IT Licensing Costs			790,000	
BMT - Board of Massage Therapy	466,100			464,800
BMT - Remove Health Insurance Adjustment		(5,000)		
BMT - Relocation to 1740 West Adams			3,700	
MED - Arizona Medical Board	7,006,900			6,966,400
MED - Remove Health Insurance Adjustment		(57,900)		
MED - Employee Performance Incentive (JLBC Adds in FY 18)				
MED - Relocation to 1740 West Adams			17,400	
MIN - State Mine Inspector	112,900			112,900
NAT - Naturopathic Physicians Medical Board	183,000			181,700
NAT - Remove Health Insurance Adjustment		(2,800)		
NAT - Relocation to 1740 West Adams			1,500	
NAV - Navigable Stream Adjudication Commission	200,000			200,000
NUR - State Board of Nursing	4,860,500			4,518,700
NUR - Remove Health Insurance Adjustment		(55,700)		
NUR - Remove One-Time Server Relocation Funding		(20,000)	0	
NUR - Relocation to 1740 West Adams			(266,100)	
NCI - Nursing Care Inst. Administrators Board	426,500			445,800
NCI - Remove Health Insurance Adjustment		(5,100)		
NCI - E-Licensing Ongoing Costs			24,400	
OCC - Board of Occupational Therapy Examiners	183,700			177,300
OCC - Remove Health Insurance Adjustment		(3,000)		
OCC - E-Licensing Ongoing Costs			14,800	
OCC - Relocation to 1740 West Adams			(8,200)	
OCC - Remove One-Time Funding for Multi-Function Printer		(10,000)		
DIS - State Board of Dispensing Opticians	141,700			146,800
DIS - Remove Health Insurance Adjustment		(1,700)		
DIS - Relocation of 1740 West Adams			1,000	

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
DIS - E-Licensing Ongoing Costs			5,800	
OPT - State Board of Optometry	222,200			242,600
OPT - Remove Health Insurance Adjustment		(2,100)		
OPT - E-Licensing Ongoing Costs			10,800	
OPT - One-Time Document Scanning			10,000	
OPT - Relocation to 1740 West Adams			1,700	
OST - AZ Board of Osteopathic Examiners in Medicine/Surgery	913,100			905,500
OST - Remove Health Insurance Adjustment		(7,600)		
SPB - Arizona State Parks Board	14,401,500			14,654,100
SPB - Remove Health Insurance Adjustment		(147,400)		
SPB - New Operating Funding/Rockin' River & Cattail Cove			400,000	
PER - Personnel Board	378,100			375,900
PER - Remove Health Insurance Adjustment		(2,800)		
PER - Relocation to 1740 West Adams			600	
PHA - Arizona State Board of Pharmacy	2,285,100			2,148,200
PHA - Remove Health Insurance Adjustment		(22,400)		
PHA - Remove Prescriber Report Cards One-Time Funding		(75,000)		
PHA - Remove One-Time Rule Writer Funding		(15,000)		
PHA - Remove One-Time Funding Leave Payout		(24,500)		
PHY - Board of Physical Therapy Examiners	448,000			479,600
PHY - Remove Health Insurance Adjustment		(6,800)		
PHY - E-Licensing Ongoing Costs			41,600	
PHY - One-Time Document Scanning			5,000	
PHY - Relocation to 1740 West Adams			(8,200)	
PIO - Arizona Pioneers' Home	6,605,600			6,624,400
PIO - Remove Health Insurance Adjustment		(113,000)		
PIO - Mobility Assistance Equipment			131,800	
POD - State Board of Podiatry Examiners	149,700			158,800
POD - Remove Health Insurance Adjustment		(1,300)		
POD - E-Licensing Ongoing Costs			10,400	
POS - Commission for Postsecondary Education	1,541,100			1,534,100
POS - Remove Health Insurance Adjustment		(7,000)		

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
PRI - Board for Private Postsecondary Education	421,000			409,500
PRI - Remove Health Insurance Adjustment		(4,100)		
PRI - Remove One-Time Leave Payout Funding		(20,800)		
PRI - E-Licensing Ongoing Costs			9,300	
PRI - Relocation to 1740 West Adams			4,100	
PSY - State Board of Psychologist Examiners	480,600			492,700
PSY - Remove Health Insurance Adjustment		(5,200)		
PSY - Relocation to 1740 West Adams			2,400	
PSY - E-Licensing Ongoing Costs			14,900	
DPS - Department of Public Safety	174,648,700			184,506,000
DPS - Remove Health Insurance Adjustment		(1,668,000)		
DPS - Remove One-Time Crime Lab Replacement Equipment		(700,000)	700,000	
DPS - Remove One-Time In-Car Cameras Funding		(500,000)		
DPS - Remove One-Time Camera IT Infrastructure Funding		(500,000)		
DPS - Pharmaceutical Diversion & Drug Theft Task Force			758,100	
DPS - Microwave System Upgrade (Exec: \$1.25 M)			APF	
DPS - Criminal Justice Information System (Exec: \$2.8 M)			APF	
DPS - Peace Officers Training (CCW)			837,000	
DPS - HURF Highway Safety Fee Offset			(83,890,000)	
DPS - Highway Safety Fee - Highway Patrol Fund Shift			83,890,000	
DPS - Highway Safety Fee - Retirement Shift			2,885,700	
DPS - Highway Safety Fee - 18 Additional Highway Patrol FTE			4,368,100	
DPS - MVLIE/CCW/Other Fund Shifts			3,350,000	
DPS - Retirement Adjustment			326,400	
RAD - Radiation Regulatory Agency	1,646,400			0
RAD - Agency Transfer to DHS		(1,646,400)		
RUC - Residential Utility Consumer Office	1,344,300			1,331,400
RUC - Remove Health Insurance Adjustment		(12,900)		
RES - Board of Respiratory Care Examiners	323,300			320,000
RES - Remove Health Insurance Adjustment		(3,500)		
RES - Remove One-Time Temporary Caseload Funding		(19,500)		
RES - Relocation to 1740 West Adams			2,100	
RES - E-Licensing Ongoing Costs			17,600	
RET - Arizona State Retirement System	25,167,700			24,859,200

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
RET - Remove Health Insurance Adjustment		(283,500)		
RET - Operating Budget Savings		(225,000)		
RET - Long-Term Disability Contract Savings		(300,000)		
RET - IT Project Extension			500,000	
REV - Department of Revenue	46,442,400			46,684,900
REV - Remove Health Insurance Adjustment		(157,500)		
REV - Shift from General Fund to Liability Setoff			400,000	
SOS - Secretary of State	3,695,500			8,819,600
SOS - Remove Health Insurance Adjustment		(14,000)		
SOS - Voter Registration Database			2,063,300	
SOS - Election Expenses (Plus GF)			615,500	
SOS - Non-VR HAVA Funding Projects (Total \$5.4 M)			2,459,300	
TEC - State Board of Technical Registration	2,233,700			2,269,400
TEC - Remove Health Insurance Adjustment		(29,300)		
TEC - E-Licensing System Maintenance			65,000	
DOT - Department of Transportation	390,625,600			412,148,800
DOT - Remove Health Insurance Adjustment		(4,555,300)		
DOT - Remove One-Time Driver Safety/Livestock Control Funding		(1,600,000)		
DOT - Remove One-Time Grand Canyon Airport Project Funding		(265,000)		
DOT - Remove One-Time Flagstaff Building Equipment		(2,530,000)		
DOT - Road Surface Treatments			25,606,800	
DOT - Intelligent Traffic System in Rural Areas			1,500,000	
DOT - Managed Digital Security Services			800,000	
DOT - Green Valley MVD Office Relocation			132,000	
DOT - New Ehrenberg Port of Entry Equipment			528,500	
DOT - Security Systems - Ports of Entry			405,700	
DOT - Highway Damage Maintenance Recovery Account			1,000,000	
DOT - Shift \$400K from SETIF to MVLIE			OK	
DOT - Shift \$150K from Highway to Interlock Fund			OK	
DOT - General Fund Shift to Air Quality Fund			50,400	
DOT - Attorney General ISA Cost Increase			46,000	
DOT - Highway Maintenance Workload			642,100	
DOT - 1 instead of 2 Special Plates			(350,000)	
DOT - State Safety Oversight Grant Federal Match			112,000	
TRE - State Treasurer	5,379,400			5,343,100
TRE - Remove Health Insurance Adjustment		(36,300)		

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
UNI - Universities				
UNI - ASU	685,232,600			685,232,600
UNI - Northern Arizona University	157,431,100			157,431,100
UNI - UA - Main Campus	410,094,700			410,094,700
UNI - UA - Health Sciences Center	49,749,000			49,749,000
VSC - Department of Veterans' Services	35,492,700			35,218,700
VSC - Remove Health Insurance Adjustment		(345,100)		
VSC - Creation of a Compliance Audit Section			71,100	
VME - Veterinary Medical Examining Board	590,000			599,200
VME - Remove Health Insurance Adjustment		(5,200)		
VME - Online Services Enhancement			14,400	
WAT - Department of Water Resources	2,119,600			2,419,100
WAT - Remove Health Insurance Adjustment		(500)		
WAT - Fund Shift - Water Resources Fund			300,000	
OTH - Other				
OTH - FY 18 Supplementals/Ex-Appropriations	17,117,700	(13,636,300)	0	0
OTH - HITF One-Time Employer Premium	4,235,700	(4,235,700)	10,000,000	10,000,000
OTH - State Rent - Agency Relocation (\$499K GF Savings)	0		(981,500)	(981,500)
OTH - State Rent Increase (\$3.3M GF Cost)	0		1,700,000	1,700,000
OTH - IT Rate Increase (\$700K GF Cost)	0		500,000	500,000
OTH - Retirement Adjustments	0		3,000,000	3,000,000
OTH - Elected Officials Retirement Adjustments	0		200,000	200,000
TOTAL - OPERATING SPENDING CHANGES	\$3,984,842,400	(110,310,600)	138,204,800	\$4,009,255,200
CAPITAL SPENDING CHANGES				
Building Renewal				
Arizona Department of Administration	2,600,000		8,400,000	11,000,000
ADC Building Renewal	5,464,300			5,464,300
Game & Fish Department	530,000		451,400	981,400
Arizona Lottery Commission	122,200	4,100		126,300
Arizona Department of Transportation	4,732,300		759,700	5,492,000

	FY 2018 OF 5/3	FY 19 Baseline 2/ Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
New Projects				
ADOA - 1275 W. Washington Demolition	0		1,000,000	1,000,000
ADOA - Capitol Mall Consolidation Fund	0		10,000,000	10,000,000
ADC - Door Locking Systems	1,450,000	(1,450,000)		0
Arizona Exposition and State Fair	1,000,000	(1,000,000)	1,000,000	1,000,000
Game & Fish Department - Dam Maintenance	0		150,000	150,000
Game & Fish Department - Property Maintenance	0		300,000	300,000
Local Transportation Funding	30,000,000		(30,000,000)	0
State Parks Board - Rockin River	4,000,000	(4,000,000)		0
State Parks Board Capital Projects	1,300,000	(1,300,000)	2,000,000	2,000,000
State Parks Board - Buckskin Mountain (+ \$1M SLIF)	0		1,500,000	1,500,000
State Parks Board - Oracle State Park	0		4,000,000	4,000,000
Pioneers' Home - Building Repairs	0		600,000	600,000
DPS - Remote Officer Housing (Highway Patrol)	0		800,000	800,000
ADOT - Statewide Highway Construction	104,570,000	10,382,000		114,952,000
ADOT - Controlled Access	101,899,000	1,934,000		103,833,000
ADOT - Debt Service	108,817,000	35,415,000		144,232,000
ADOT - Airport Planning	24,555,300	(5,756,800)		18,798,500
ADOT - Spreader Racks - Replacing 17	0		1,720,000	1,720,000
ADOT - Keams Canyon Truck Barn/Office	0		1,790,000	1,790,000
ADOT - New Materials Test Lab	0		2,250,000	2,250,000
ADOT - Eliminate One-Time Funding	5,340,000	(5,340,000)		0
Veterans' Services - Flagstaff/Yuma Homes Additional Costs	0		8,000,000	8,000,000
TOTAL - CAPITAL SPENDING CHANGES	\$396,380,100	28,888,300	14,721,100	\$439,989,500
TOTAL - OPERATING & CAPITAL SPENDING	\$4,381,222,500	(81,422,300)	152,925,900	\$4,449,244,700
FUND TRANSFERS				
<u>APF/DOA - Automation Projects Fund - All For IT Projects</u>				
APF/DOA - Acupuncture Board of Examiner Fund for e-Licensing	45,900	(45,900)		0
APF/DOA - Automation Operations from ADOA (Exec: \$5.3M)	6,703,000	(5,203,000)	3,830,000	5,330,000
APF/DOA - State Web Portal from ADOA	5,065,600	(5,065,600)	3,517,000	3,517,000
APF/DOA - Personnel Fund		0	171,900	171,900
APF/DOA - IT Fund from DOA	500,000	(500,000)		0
APF/DOA - Risk Management from ADOA	440,000	(440,000)		0
APF/DOA - Athletic Training Fund for e-Licensing	45,900	(45,900)		0
APF/DOA - Board of Barbers Fund for e-Licensing	40,000	(40,000)		0
APF/DOA - Behavioral Health Examiners for e-Licensing	0	0	450,000	450,000

	FY 2018 OF 5/3	FY 19 Baseline <u>2</u> / Above FY 18	FY 19 5/3 Chng to FY 19 Baseline	FY 2019 OF 5/3
APF/DOA - Board of Funeral Directors' & Embalmers' Fund (e-Lic.)	27,500	(27,500)		0
APF/DOA - Admin Fund from Industrial Commission	1,017,400	(1,017,400)		0
APF/DOA - Nursing Care Administrators Fund for e-Licensing	27,500	(27,500)		0
APF/DOA - Occupational Therapy Fund for e-Licensing	45,900	(45,900)		0
APF/DOA - Board of Dispensing Opticians Fund for e-Licensing	27,500	(27,500)		0
APF/DOA - Board of Optometry Fund for e-Licensing	45,900	(45,900)		0
APF/DOA - Board of Physical Therapy Fund for e-Licensing	45,900	(45,900)		0
APF/DOA - Podiatry Fund for e-Licensing	27,500	(27,500)		0
APF/DOA - Board for Private Postsecondary Ed. Fund (e-Lic.)	80,200	(80,200)		0
APF/DOA - Board of Psychologist Examiners Fund for e-Licensing	91,700	(91,700)		0
APF/DOA - Board of Respiratory Care Examiners for e-Licensing	44,100	(44,100)		0
APF/DOA - DEQ Permit Administration for DEQ IT	0	0	1,800,000	1,800,000
APF/DOA - DEQ Underground Storage Tank for DEQ IT	3,200,000	(3,200,000)	1,400,000	1,400,000
APF/DOA - DEQ ISA for DEQ IT	3,200,000	(3,200,000)		0
APF/DOA - State Lottery Fund from Lottery Commission	3,497,400	(3,497,400)		0
APF/DOA - Public Safety Equipment Fund from DPS	1,000,000	(1,000,000)	1,250,000	1,250,000
APF/DOA - Concealed Weapons Permit Fund from DPS	2,500,000	(2,500,000)		0
APF/DOA - Fingerprint Clearance Card Fund from DPS	1,343,000	(1,343,000)		0
APF/DOA - DPS Highway Patrol	0	0	2,806,200	2,806,200
APF/DOA - Administrative Fund from DOR	4,000,000	(4,000,000)		0
APF/DOA - Liability Setoff Program Revolving Fund from DOR	4,000,000	(4,000,000)		0
APF/DOA - DFI Receivership Revolving Fund for e-Licensing			1,400,000	1,400,000
<u>Other Transfers</u>				0
ADC - Locking Systems - ADC Building Ren. Fund from ARCOR Revolving	1,450,000	(1,450,000)		0
DHS - State Hospital Fund from Health Service Lottery Fund	1,300,000	(1,300,000)		0
TOTAL - FUND TRANSFERS	\$43,611,900	(38,311,900)	16,625,100	\$18,125,100

1/ Represents original FY 2018 appropriations adjusted for revisions in Lottery Commission, Medical Board and the Universities (including consolidating ASU into a single budget unit).

2/ Represents FY 2019 Baseline cost above FY 2018 Baseline.

FY 2018 SUPPLEMENTALS

	5/3 Change to Original '18 Budget
General Fund	
Department of Agriculture - Salt River Horse Management	\$40,300
AHCCCS - Substance Use Disorder Services - Enacted (Laws 2018, 1st Special Session, Ch. 1)	10,000,000
Department of Child Safety - Revert FY 2017 Backlog Privatization	(2,700,000)
Department of Education - Mayer Unified School District Funding	300,000
Department of Forestry and Fire Management - Fire Expenses	4,078,000
State Land Department - CAP User Fees	449,100
School Facilities Board - Building Renewal Grants	10,000,000
Secretary of State - Revert FY 2016 Special Election	(2,962,600)
Secretary of State - CD 8 Special Election - Enacted (Ch. 2)	2,500,000
State Board of Tax Appeals - Increase in Benefit Cost	11,100
ADOT - Replace General Fund with Highway Fund for ADOT I-10 Project (Equipment Sales)	(230,000)
General Fund - Total	\$21,485,900
Other Funds	
Arizona Department of Administration - Federal Repayment	\$15,802,500
Attorney General - Community Grants for Opioid Education and Prevention - Enacted (Laws 2018, 1st Special Session, Ch. 1)	400,600
Attorney General - Election Litigation	500,000
Department of Health Services - Opioid Abuse Prevention Campaign - Enacted (Laws 2018, 1st Special Session, Ch. 1)	400,600
Board of Dispensing Opticians - Executive Director Retirement	14,000
Other Funds - Total	\$17,117,700
Expenditure Authority	
AHCCCS - Expenditure Authority	\$36,973,200
Expenditure Authority - Total	\$36,973,200

FY 2019 BUDGET RECONCILIATION BILL PROVISIONS

The budget includes the enactment of statutory changes associated with its funding amount. The following provisions would be grouped by subject into Budget Reconciliation Bills (BRBs). New provisions are noted with an asterisk (*).

	<u>Section</u>
BUDGET PROCEDURES HB 2667/SB 1524	
Statewide	
1. As permanent law, require annual appropriations for all agencies. The existing permanent law requires biennial appropriations for smaller agencies, but has been annually suspended in session law for more than a decade.	9, 11-17
2. As session law, set the FY 2019 Capital Outlay Stabilization Fund (COSF) rental rate charged by the Arizona Department of Administration (ADOA) at \$16.08/square foot for rentable office space and \$5.79/square foot for rentable storage space. The current rate is \$13.08/square foot for rentable office space and \$4.74/square foot for rentable storage space.	39
3. As session law, continue to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services.	38
4. As permanent law, increase the pro rata share for the information technology fund from .20 percent to .30 percent of total payroll.	2
5. As session law, change the A.R.S. § 35-112 deadline for OSPB to provide budget request forms to agencies from June 1 to July 1.	45
Arizona Department of Administration	
6. As permanent law, create a new appropriated Capitol Mall Consolidation Fund. As session law, direct sale proceeds from the properties at 2910 N. 44th St. in Phoenix, 2163 N. Vickey St. in Flagstaff, and the northeast corner of South Horne Street and East Baseline Road in Mesa to be deposited in the newly created fund.	31,44
7. As permanent law, repeal the Capitol Mall Commission and delegate its authority to ADOA.	10, 33-37
8. As permanent law, require ADOA to report on the 3 salary tiers of state employees in the Public Safety and Correctional Officer Retirement systems. The report is due to JLBC by October 1 of each year.	27
9. As permanent law, allow the Personnel Division Fund to be used for the Governor's Office for Equal Opportunity.	29
Arizona Department of Administration - Automation Projects Fund (APF)	
10. As permanent law, require ADOA to establish subaccounts for each agency that implement an information technology project through the APF and prohibits monies from being transferred between agency subaccounts.	28
11. As permanent law, requires ITAC to review information technology projects that involve more than one agency if the cost of the project across all agencies exceeds \$1,000,000.	1
12. As permanent law, require ADOA to include a report on the cost, timeline, and method of procurement when requesting JLBC review for an APF project expenditure plan.	28
Corporation Commission	
13. As permanent law, amend A.R.S. § 40-443 to eliminate the inactive Pipeline Safety Revolving Fund and transfer any remaining balance to the General Fund.	26

Department of Insurance

14. As session law, allow the department to use monies from the Assessment Fund for Voluntary Plans Fund in FY 2019 and FY 2020 to pay for the arbitration process of surprise billings. 41

Joint Legislative Audit Committee

15. As permanent law, extend the Joint Legislative Audit Committee through FY 2026. 32

Retirement

16. As permanent law, implement December 1 rather than December 15 and 31 reporting dates for ASRS and PSPRS actuarial reports. 18-25

Department of Revenue

17. As session law, allow the Liability Setoff Program Revolving Fund to be used for general operating expenditures of the department. 42

Secretary of State

18. As session law, allow the Records Services Fund and Data Processing Acquisition Fund to fund election services. 40

Transportation

19. As permanent law, ADOT is required to provide only one special plate per vehicle. Also requires ADOT to set fee for a second plate. 3-8

Revenues

20. As session law, continue to notwithstanding the requirements for any deposit to or any withdrawals from the Budget Stabilization Fund through FY 2021. 43

Other

21. As permanent law, require JLBC approval of placement of light rail stations near the Capitol. JLBC must take action within 120 days of receiving a report. 30

CRIMINAL JUSTICE – HB 2666/SB 1523

Attorney General

22. As permanent law, remove the requirement that the Attorney General report on any setoffs of the costs of incarceration against monetary judgments awarded to inmates in the past 6 months. 2
23. As permanent law, remove the requirement that each agency report to the JLBC the fund sources used to pay the Legal Services Cost Allocation Fund charges. 4
24. As session law, allow the Attorney General to expend monies up to \$1,489,000 from the Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund for the Attorney General’s Case Management Information Technology System Upgrade and Licensing Compliance. This allowance would be limited to FY 2019 and FY 2020. Allow \$1.4 million from this account to offset general operating expenses in FY 2021. 15, 16

25.	As permanent law, increases the amount of the year-end balance in the Collection Enforcement Revolving Fund that is not subject to lapsing from \$500,000 to \$1,000,000.	3
State Department of Corrections		
26.	As session law, continue to require the department to report actual FY 2018, estimated FY 2019, and requested FY 2020 expenditures as delineated in the prior year when the department submits its FY 2020 budget request pursuant to A.R.S. § 35-113.	7
Arizona Criminal Justice Commission		
27.	As permanent law, require the Arizona Criminal Justice Commission to submit its annual federal grant application for the Edward Byrne Memorial Justice Assistance Grant to the Legislature in compliance with federal law. The JLBC would review the report.	5
28.	As session law, appropriate \$200,000 in FY 2019 from the Drug and Gang Prevention Resource Center Fund for distributions to Pinal and Yavapai County Attorneys for a pilot program to collect and post criminal justice statistics on their websites monthly during calendar year 2019.	21,22
Department of Emergency and Military Affairs		
29.	As session law, allow the Department to expend \$1,250,000 from the Military Installation Fund for the construction of a new Readiness Center.	14
Judiciary		
30.	As permanent law, require 25 percent cost sharing for Maricopa Superior Court judges in FY 2020 and 50 percent sharing starting in FY 2021.	1
31.	As session law, allow the Administrative Office of the Courts to use monies in the Juvenile Probation Reduction Fund, the Drug Treatment and Education Fund, the Arizona Lengthy Trial Fund, and the Alternative Dispute Resolution Fund for a new Appellate Case Management System up to a total of \$3,150,000 through FY 2020.	17
Department of Juvenile Corrections		
32.	As session law, continue to state that it is the intent of the Legislature that each county pays an assessed amount determined by the county's proportional share by population of \$11,260,000	11
Department of Public Safety		
33.	As session law, continue to require the Department of Public Safety (DPS) to receive Joint Legislative Budget Committee (JLBC) review of the expenditure plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Border Security and Law Enforcement Subaccount FY 2019 appropriation prior to its expenditure.	8
34.	As session law, increase the statutory spending cap for HURF from \$10,000,000 to \$16,000,000 for FY 2019.	20
35.	As session law, allow the use of the Concealed Weapons Permit Fund and continue to allow use of the State Aid to Indigent Defense Fund for DPS operating expenses.	10
36.	As session law, continue to allow DPS to utilize \$148,700 from the FY 2019 GIITEM Subaccount appropriation for costs related to an increase in the PSPRS employer contribution rate.	9
37.	As session law, continue to allocate \$400,000 from the GIITEM General Fund distribution to the Pima County Sheriff's Office.	6
38.	As session law, allow the Concealed Weapons Permit Fund to be used for the Arizona Peace Officer Standards and Training Board.	18
39.	As session law, allow the Arizona Highway Patrol Fund to be used for the criminal justice information system.	12

- 40. As session law, allow the Public Safety Equipment Fund to be used for the microwave system upgrade. 13
- 41. As session law, allow DPS to use the Arizona Drug and Gang Resource Center Fund for Pharmaceutical Diversion and Drug Theft Task Force. 19

ENVIRONMENT – HB 2658/SB 1525

Department of Environmental Quality

- 42. As session law, continue to allow the department to utilize up to \$6,531,000 from the Underground Storage Tank (UST) Fund in FY 2019 for department administrative expenses and for sewage remediation. 5
- 43. As session law, continue to suspend the requirement to appropriate \$15,000,000 from the state General Fund to the Water Quality Assurance Revolving Fund (WQARF). In FY 2019, appropriate \$6,500,000 from the Vehicle Emissions Inspection Fund, \$5,000,000 from the Air Quality Fund, and \$2,052,000 from the Recycling Fund to WQARF, for a total of \$13,552,000. With \$2,000,000 of non-appropriated funds, total WQARF funding would be \$15,552,000. 7
- 44. As session law, continue the FY 2018 level of vehicle emissions inspection fees in FY 2019 (FY 2018 fees are \$3 less than FY 2016 in Area A, which includes Maricopa County and portions of Pinal and Yavapai Counties.) 10
- 45. As session law, continue to include a legislative intent statement that the WQARF appropriations are being supplemented by \$2,000,000 of non-appropriated monies directly deposited into WQARF, which consists of other revenue generated from various license and registration fees. 7
- 46. As permanent law, allow Water Quality Fee Fund monies to be used to fund the Water Quality Monitoring Program and the costs of providing aquifer pollution information required by A.R.S. § 49-249 in FY 2019. Was previously a session law. 1
- 47. As permanent law, amend A.R.S. § 49-210 to include the issuance of reclaimed water permits as an allowable use of the Water Quality Fee Fund. Reclaimed water permit fees are already deposited to the Fund. 1
- 48. As session law, allow the department to use the Underground Storage Tank Fund for the cost of developing and implementing e-licensing. 9
- 49. As session law, allow the department to use the Permit Administration Fund for e-licensing. 9
- 50. As session law, eliminate language in Laws 2018, Chapter 225 that would erroneously repeal sections of statute. Repeals Chapter 225 if Dredge and Fill Permit Program is not approved by the EPA by August 1, 2023. (Technical correction). 2

Arizona Navigable Stream Adjudication Commission

- 51. As session law, continue to allow use of the Water Banking Fund for the commission’s unpaid legal obligations. 6

Arizona State Parks Board

- 52. As session law, continue to allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs. 4

Department of Water Resources

- 53. As session law, continue 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 2019. 3
- 54. As session law, continue to allow the department non-municipality special fee authority, including an intent clause that limits additional revenue up to \$100,200, and exempt the department from rulemaking for this purpose. 11
- 55. As session law, appropriates \$100,000 to DWR in FY 2019 to contract with an independent consultant to estimate the rate of groundwater depletion in the Northwest Basins; requires ADWR to submit the consultant's report of its findings to the Speaker of the House, the President of the Senate, Governor, and Secretary of State by December 31, 2019. The appropriation is non-lapsing. 8

HEALTH – HB 2659/SB 1526

AHCCCS

Rates and Services

56. As session law, continue the FY 2010 risk contingency rate reduction for all managed care organizations. Continue to impose a reduction on funding for all managed care organizations administrative funding levels. 16
57. As permanent law, give AHCCCS the authority to require managed care organizations to pay up to 90% of the AHCCCS fee schedule for inpatient behavioral health visits at non-contracted providers, effective July 1, 2018. 6, 26

Counties

58. As session law, set the FY 2019 county Arizona Long Term Care System (ALTCs) contributions at \$268,554,800. 10
59. As session law, set the County Acute Care contribution at \$46,512,900. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328. 14
60. As session law, continue to exclude Proposition 204 administration costs from county expenditure limitations. 15
61. As session law, continue to require AHCCCS to transfer any excess monies back to the counties by December 31, 2019 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act. 13

Hospitals

62. As session law, continue to establish FY 2019 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. Increase the MIHS distribution to \$113,818,500 in FY 2018 and FY 2019. 12
63. As session law, continue 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. 12

Erroneous Payments

64. As session law, continue to permit AHCCCS to recover erroneous Medicare payments made due to errors by the federal Social Security Administration. Any credits received may be used to pay for the AHCCCS program in the year they are received. 17

Available Funding

65. As session law, continue to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation. 25
66. As permanent law, eliminate the inactive Hospital Loan Residency Fund. 7,8

Reports

67. As session law, continue to require AHCCCS and DHS to submit a joint report to the Legislature and the Governor by January 2, 2019 on hospital costs and charges. 18
68. As session law, continue to require AHCCCS to report to JLBC on or before January 2, 2019 on the availability of inpatient psychiatric treatment and "psychiatric boarding" in emergency rooms for children and adults enrolled in Arizona's Regional Behavioral Health Authorities. 19
69. As session law, require AHCCCS and DHS to jointly report by January 1, 2019 on how grant monies for states to address the opioid epidemic included in the federal Consolidated Appropriations Act of 2018 (P.L. 115-141) will supplement the monies appropriated to AHCCCS in the Arizona Opioid Epidemic Act (Laws 2018, 1st Special Session, Chapter 1). 24

Department of Health Services

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| 70. | As session law, continue to require all cities and counties to pay 100% of cost of Restoration to Competency treatment in FY 2019. Allow counties to use any source of county revenue to make the transfers. | 11 |
| 71. | As session law, continue to notwithstanding A.R.S. § 36-773 to permit DHS to use Tobacco Tax and Health Care Fund - Health Research Account for Alzheimer's disease research. | 23 |
| 72. | As session law, continue to notwithstanding A.R.S. § 5-572 and A.R.S. § 36-108.01 to allow the Health Services Lottery monies to be used homeless pregnant women services. | 22 |
| 73. | As session law, continue fee raising authority and an exemption relating to establishing fees for the Bureau of Radiation Control in FY 2019 and continue an intent clause that limits additional revenues to \$561,000. | 20 |
| 74. | As session law, allow DHS to use the Disease Control Research Fund for AIDS reporting and surveillance. | 21 |
| 75. | As permanent law, divert 100% of the first \$300,000 of licensing fees for the Radiation Regulatory program into the General Fund; divert 90% of additional fees to the Health Services Licensing Fund and 10% into the General Fund. Eliminate the State Radiologic Technologist Certification Fund and the Radiation Regulatory Fee and transfer all unencumbered and unexpended monies into the Health Services Licensing Fund. | 1,2,3,4,5 |

HIGHER EDUCATION – HB 2662/SB 1527**Community Colleges**

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| 76. | As session law, continue to suspend the Operating State Aid funding formula in FY 2019 for Maricopa and Pima Counties. | 9 |
| 77. | As session law, continue to suspend Science, Technology, Engineering and Mathematics and Workforce Programs funding formula for FY 2019 and specify the funding in the General Appropriation Act, which for Pinal would again equal \$96,500. | 8 |
| 78. | As permanent law, allow Coconino Community College to increase its primary property tax levy, subject to approval by voters. | 6 |
| 79. | As permanent law, prohibit community colleges from requiring a student from being a member of a labor organization or participating in an industry apprenticeship program as a prerequisite for course enrollment. | 1 |

Universities

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| 80. | As session law, continue 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). | 7 |
| 81. | As permanent law, modify A.R.S. § 15-1655 to clarify that the Arizona Teacher Academy is established for the 2017-2018 academic year and subsequent years. | 3 |
| 82. | As permanent law, require the universities to annually report on the status of all projects that have been reviewed, approved by, or reported to JCCR that are not yet completed. | 5 |
| 83. | As permanent law, revise the universities' annual cost-containment reporting requirements: modifies reporting requirement on tuition and fee charges compared to historical levels; clarifies reporting requirement on the growth of faculty and administration; requires information on increases in credit hours required for degree programs. | 2 |
| 84. | As permanent law, continue tuition waiver for foster students. The current foster care waiver pilot program is scheduled to expire at the end of FY 2018. | 4, 10 |

HUMAN SERVICES – HB 2661/SB 1528

Department of Child Safety

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| 85. | As session law, continue to require the department to report with the Early Childhood Development and Health Board on collaborative efforts on child welfare issues. | 6 |
| 86. | As session law, delays an Auditor General report on the Department of Child Safety caseworker workload from no later than December 2018 to December 2020. Adds a requirement that the report include the difference in caseworker caseloads between field offices. | 4 |

Department of Economic Security

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| 87. | As session law, continue 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 DES has reasonable cause to believe that the recipient uses illegal drugs. | 5 |
| 88. | As session law, continue to permit DES to reduce income eligibility levels for all child care programs. Require DES to report to the JLBC within 15 days of any change in levels. | 1 |
| 89. | As session law, allow the Spinal and Head Injury Trust Fund to be used to fund \$1,900,000 for costs of the Arizona Early Intervention Program in FY 2019. | 3 |
| 90. | As session law, allow the Special Administration Fund to be used for adult services and domestic violence prevention. | 2 |

K-12 EDUCATION – HB 2663/SB 1521

Arizona School for the Deaf and Blind

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| 91. | As session law, allow Arizona Schools for the Deaf and Blind to use monies in the Telecommunications Fund for the Deaf to Support the expansion of the Birth to Three program. | 24 |
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Department of Education

Formula Requirements

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| 92. | As permanent law, increase 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 1.80% for standard inflation. | 2,9,11 |
| 93. | As permanent law, increase the base level by an additional \$210.50 (5.72%) for FY 2019 to incorporate 1) \$65,419,100 for the 1.06% Additional Teacher Salary Increases for FY 2018 and FY 2019 combined (2.12% total) already funded in the FY 2019 Baseline, 2) an additional \$176,200,000 for teacher pay raises in FY 2019, and 3) an additional \$64,100,000 for teacher pay raises in FY 2019 as a bridge to higher Proposition 301 funding that will be available to schools in FY 2022 due to expiring SFB debt service. | 9 |

Funding Formula Changes

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| 94. | As session law, reduce the \$352,442,700 District Additional Assistance suspension and \$18,656,000 Charter Additional Assistance suspension to \$257,469,900 and \$13,628,800, respectively, in FY 2019, and phase out the remaining suspensions by FY 2023. | 27,28 |
| 95. | As session law, eliminate all District Additional Assistance reductions for school districts with fewer than 1,100 students in FY 2019. | 27 |
| 96. | As session law, allocate Results-Based Funding using the same formula that was used in FY 2018, but based on spring 2017 AzMERIT test results. Under permanent law, the Results-Based Funding would be distributed to schools with a letter grade A under the A-F performance rating developed by the State Board of Education. | 26 |

Other

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| 97. | As session law, continue 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. | 27 |
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98.	As session law, require the Corporation Commission to make all monies collected for K-12 broadband expansion that remain after the 2018 E-Rate cycle available in subsequent years to eligible applicants.	22
99.	As permanent law, establish the Computer Science Professional Development Program Fund to accept gifts, donations and grants to fund computer science professional development for district and charter school teachers; require private matching monies, including the dollar value of in-kind contributions, before the expenditure of the second half of the monies appropriated for the Computer Science Professional Development Program. The department shall distribute grants on a first-come first-served basis to school districts and charters that currently do not provide high school computer science instruction.	7
100.	As permanent law, require each school district to display on the homepage of its website in a prominent way its individual profile published in the Auditor General's Annual District Spending Report.	18
101.	As permanent law, require each school district and charter school to post in a prominent way on the homepage of its website and on its budget forms the amount of its average teacher salary in the current and prior fiscal year and include the increase in dollar and percentage terms. Require ADE to submit a report on the information from districts and charter schools statewide to JLBC and OSPB by November 30.	3,10
102.	As permanent law, provide the Charter Schools Board authority to close charter schools based on failure to meet financial performance expectations.	1
103.	As permanent law, specify a state definition of "rural" for the purposes of aligning eligibility for federal grants for K-12.	7
104.	As permanent law, add social studies to the exam subject areas that can generate bonuses for school districts and charter schools under the College Credit By Examination Incentive Program.	6
105.	As session law, allow Cave Creek Unified School District to increase its general budget limit by \$1,500,000 in FY 2019.	29

School Facilities Board

106.	As session law, notwithstanding the statutory per-square-foot construction standards for the Benson school approved in the FY 2015 budget.	23
107.	As permanent law, clarify that the per pupil square footage requirements in A.R.S. § 15-2011 should be calculated based on 40 th day ADM. (The FY 2018 K-12 BRB set the calculation at the 40 th day, but Laws 2017, Chapter 320 subsequently changed it back to the 100 th day.)	15,31
108.	As session law, continues the SFB for 4 years through FY 2022.	19,20,21
109.	As permanent law, modifies board membership to include a member with experience in public procurement and a member who owns a private construction firm that does not conduct business with schools.	12,25
110.	As permanent law, requires SFB to submit a report for review to the JCCR on the fiscal impact of any changes made to the minimum adequacy guidelines.	14
111.	As permanent law, makes changes to building renewal grant program, including to require projects to be classified as critical and non-critical and to limit grant fund awards to available funds, with priority given to critical projects.	8,12,13,16
112.	As session law, require a special financial audit to examine SFB building renewal project expenditures.	30
113.	As permanent Law, requires the SBE to adopt rules for school district procurement of any materials, services, goods, construction or construction services that ensure maximum practicable competition. Allows the Attorney General to investigate allegations of procurement compliance.	4, 17
114.	As permanent law, bans school and district employees from accepting gifts from vendors if the employee is involved in procurement or financial transactions on behalf of the school district. Excludes expenditures on food, beverages, and special events.	4
115.	As permanent law, requires school districts to contract with a new audit firm every 3 years and prohibits the district from using the same vendor for consulting services	4
116.	Require school procurement contracts to be awarded to the lowest qualified bidder, effective July 1, 2019.	5, 32

REVENUES – HB 2664/SB 1529

Department of Agriculture

117. As session law, continue fee changing authority and an exemption relating to establishing fees for the Arizona Department of Agriculture in FY 2019. The bill continues an intent clause that limits additional revenues to \$357,000. 10

Arizona Commerce Authority

118. As permanent law, reduces the annual deposit into the Arizona Competes Fund from \$11,500,000 to \$5,500,000 in FY 2020 and thereafter. 3

Counties and Cities & Towns

119. As session law, continue to allow counties with a population below 250,000 in the 2010 decennial census to use any source of county revenue to meet a county fiscal obligation for FY 2019, up to \$1,250,000 of county revenue for each county. Requires counties using this authority to report to the Director of JLBC on the intended amount and sources of funds by October 1, 2018. 11

Department of Education

120. As permanent law, shift desegregation programs from primary to secondary property tax levy without loss of funding to school districts. Provision is retroactive to July 1, 2018. Require the county treasurer to determine the descriptor of the desegregation levy as a separate item on tax bills. 2,13

Department of Financial Institutions

121. As permanent law, allow the Department of Financial Institutions to use the Financial Services Fund for general operating expenditures of the department. Was previously a session law. 1

Department of Gaming

122. As session law, continue to set the Racing Wagering Assessment at 0.5% in FY 2019 only. 5,13
123. As session law, change the fund in which boxing and mixed martial arts-related revenues (except license fees) are deposited in FY 2019 from the General Fund to the Unarmed Combat Subaccount of the Racing Regulation Fund. 8, 13

Department of Insurance

124. As session law, continue to suspend the requirement that fees collected by the department be between 95% and 110% of the department's appropriation. 9

Department of Revenue

125. As session law, continue legislative intent statement that local fees to fund the Department of Revenue (DOR) are not to exceed \$20,755,835 and are to be allocated between cities and towns, counties, the Maricopa Association of Governments and the Pima Association of Governments based on the prorated share of all revenues distributed to them (excluding Highway User Revenue Fund money). 12
126. As permanent law, increase the amount of tax exempt federal retirement or retainer pay of U.S. military retirees, from \$2,500 to \$3,500 in tax year 2019 and later years. 4

Transportation

- 127. As session law, eliminate the FY 2019 appropriation of Highway Expansion and Extension Loan Program Fund monies to local HURF in lieu of the Highway Safety fee. 6,13
- 128. As session law, eliminate the extra \$30 million distribution to local HURF in FY 2020 in lieu of the Highway Safety Fee. 7

FY 2019 GENERAL APPROPRIATION ACT PROVISIONS – HB 2665/SB 1520

The Baseline 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.

Arizona Commerce Authority

- 129. As session law, in accordance with statute (A.R.S. § 43-409), continue to allocate \$21,500,000 of General Fund withholding tax revenue to the Authority in FY 2019. The allocation will be reduced to \$15,500,000 starting in FY 2020. 119

Counties and Cities & Towns

- 130. As session law, continue to appropriate \$550,050 to all counties with populations under 200,000 people according to the 2010 Census. As session law, continue to appropriate additional \$500,000 to Graham County. 115
- 131. As session law, appropriate \$550,050 in FY 2019 to all counties with populations over 200,000 people and under 900,000 according to the 2010 Census. Was previously a one-time appropriation. 115
- 132. As session law, in accordance with A.R.S. § 9-601, appropriate \$22,996,250 from the General Fund in FY 2019 for the Phoenix Convention Center. 134
- 133. As session law, appropriate \$11,260,000 to all counties in an amount proportionate to their relative population in the 2010 census to offset county cost-sharing for the Department of Juvenile Corrections. Was \$8,000,000 in FY 2018. 116
- 134. As session law, in accordance with A.R.S. § 42-5031, continue to provide sales tax revenues, estimated at \$14,000,000 in FY 2019, to the Rio Nuevo Multipurpose Facility District. 135
- 135. As session law, appropriate \$1,655,500 in FY 2019 to the 8 smallest counties, according to the 2010 Census, to offset the increase in Elected Officials Retirement Program liability payments. 116
- 136. As session law, appropriate \$1,000,000 to PSPRS for deposit in the employer account of the Prescott fire department group to offset increased pension liability. 128

Department of Education

- 137. As session law, continue to defer \$930,727,700 in Basic State Aid payments from FY 2019 to FY 2020. Appropriate \$930,727,700 in FY 2020 for these deferred payments. Continue to exempt school districts with less than 600 students from the K-12 rollover. Allow the Department of Education to make the rollover payment no later than July 12, 2019. 144
- 138. As session law, continue to require school districts to include in the FY 2019 revenue estimates that they use for computing their FY 2019 tax rates the rollover monies that they will receive for FY 2019 in July 2019. 144

Debt Service

139. As session law, continue to appropriate \$84,112,000 from the General Fund to the Arizona Department of Administration in FY 2019 for a debt service payment on the 2010 sale and leaseback of state buildings. 133

Revenues

140. As session law, continue to specify revenue and expenditure estimates for FY 2018, FY 2019, FY 2020, and FY 2021. 151
141. As session law, continue to require the Executive Branch to provide JLBC preliminary estimates of FY 2018 ending balances by September 15, 2018. Require JLBC Staff to report to JLBC by October 15, 2018 as to whether FY 2019 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections. 151

Statewide

142. 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. 147
143. As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2019 in all agencies and provide it to the JLBC Director by October 1, 2019. The Universities are exempt from the report but are required to report separately. 148
144. As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2018 on the number of filled appropriated and non-appropriated FTE Positions by fund source as of September 1, 2018. 149
145. 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. 150

General

146. As session law, continue to define “*” as designating an appropriation exempt from lapsing. 152
147. As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations. 153
148. As session law, continue to define "review by the Joint Legislative Budget Committee" as a review by a vote of a majority of a quorum of the members. 154

FY 2019 MAJOR FOOTNOTE CHANGES

The Baseline includes the following major additions, deletions or modifications of footnotes. This list does not include footnotes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy.

Arizona Department of Administration

149. Modify the existing footnote to move ADOA's semi-annual Building Renewal Report from July to May. (Capital) CO 3
150. Add annual report on building renewal expenditures to ADOT and Game and Fish on the status of all capital projects reviewed by JCCR. (Capital) CO 3
151. Modifies footnote requiring ADOA to report to the JLBC by August 1, 2018 on its vehicle replacement maintenance savings and eliminates the review requirement. 6

152.	Modifies footnote from FY 2017 Capital Outlay bill to extend the lapsing date for a \$120,000 building renewal appropriation for the repair of the Works Progress Administration building at the State Fairgrounds through FY 2020. (Capital)	CO 23
153.	Adds footnote requiring ADOA to report to the Joint Committee on Capital Review by November 15, 2018 for review of its plan for the relocation of state agencies and the renovation of Capitol Mall buildings. (Capital).	CO 3
Arizona Department of Administration - Automation Projects Fund (APF)		
154.	Modifies footnote requiring ADOA to submit a quarterly report on project expenditures, deliverables, and timeline for completion for all projects approved by ITAC, not just those funded in ADOA's budget.	118
155.	Adds footnote stipulating that FY 2018 APF appropriations are non-lapsing through FY 2019 and that FY 2019 APF appropriations are non-lapsing through FY 2020.	2, 118
156.	Adds footnote allowing ADOA to repurpose HRIS replacement feasibility study to upgrade the system.	2
157.	Adds footnote clarifying that transfers into the APF are not considered appropriations. Only direct appropriations out of the APF shall be considered appropriations.	3, 143
AHCCCS		
158.	Modifies footnote requiring AHCCCS to report to JLBC on the progress of implementing the <i>Arnold v. Sarn</i> lawsuit from semi-annually to annually.	10
159.	Modifies footnote requiring AHCCCS to report to JLBC on Medicaid reconciliation payments from semi-annually to annually.	10
160.	Adds footnote stating that AHCCCS' appropriation includes funding for a 3% provider rate increase for skilled nursing facilities and assisted living facilities in FY 2019, in addition to any actuarially determined rate adjustments.	10
161.	Adds footnote stating that AHCCCS' appropriation includes funding to increase inpatient and outpatient hospital rates by 2.5% in FY 2019 based on hospital performance on established quality measures. The appropriation is in addition to any actuarily determined rate adjustments.	10
162.	Adds footnote that \$100,000 of AHCCCS' operating budget shall be used for a suicide prevention coordinator to assist school districts and charter schools. Requires that AHCCCS, in consultation with ADE, report on the coordinator's accomplishments by September 1, 2019.	10
Registrar of Contractors		
163.	Deletes footnote requiring JLBC review of any transfer to or from the Office of Administrative Hearings Costs line item.	20
Corporation Commission		
164.	Adds footnote requiring the Commission to report to the JLBC by August 1, 2018 on total expenditures from the Small Drinking Water Systems Fund in FY 2018 (continuation of an earlier Budget Reconciliation Bill provision).	21
Department of Corrections		
165.	Adds footnote requiring the Department of Corrections to transfer an amount to the PSPRS for CORP liabilities	22
Department of Child Safety		
166.	Removes footnote requiring JLBC review of progress in meeting Moss-Adams audit requirements.	17
167.	Removes footnote requiring JLBC review of the expenditure plan for the retention pay line item.	17
168.	Adds footnote stipulating that DCS' FY 2018 litigation expenses appropriation is non-lapsing through FY 2019 and that DCS' FY 2019 litigation expenses appropriation is non-lapsing through FY 2020.	17, 103

- 169. Modifies footnote establishing benchmarks to require DCS to reduce the out-of-home population to 13,964 by June 30, 2019. Represents (2)% reduction each quarter in FY 2019 relative to the January 2018 population of 15,139. 17
- 170. Remove footnotes requiring reports on monthly financial, staffing, and hiring information; SB 1518 made these requirements permanent. 17
- 171. Adds footnote requiring DCS to revert its \$2,700,000 appropriation for backlog privatization from FY 2017 to the General Fund on June 30, 2018. 104

Department of Economic Security

- 172. Adds footnote requiring the department to report to JLBC by September 1, 2019 on the costs of operating the Arizona Training Program at Coolidge in FY 2019. 29
- 173. Adds footnote requiring DES to report to JLBC on or before December 1, 2018 on its plans to reduce screening costs associated with the Arizona Early Intervention Program. 29

Department of Education

- 174. Adds footnotes stipulating that any monies received by the Department of Education for Proposition 301 purposes in excess of the budgeted amounts are available for expenditure. 31
- 175. Adds footnote stipulating that any monies received by the department for the Instructional Improvement Fund in excess of the budgeted amounts are available for expenditure. 31
- 176. Adds footnotes stipulating that it is the intent of the Legislature and Governor that the additional increase to the Base Level be used for teacher salary increases, and that school districts or other entities that receive additional funding may use the monies for teacher compensation. 31
- 177. Adds footnote allowing ADE to transfer up to \$1,600,000 from Basic State Aid to Results-Based Funding to cover its FY 2018 shortfall without requiring JLBC review. 106
- 178. Adds footnote increasing the Base Support Level for Mayer Unified School District by \$300,000 in FY 2018 and appropriating that amount from the General Fund in FY 2018. 125

Forestry and Fire Management

- 179. Adds footnote allowing \$210,000 and \$465,000, respectively, of the department's FY 2018 Hazardous Vegetation and Post-Release Firefighting Crews Special Line appropriations to be used for FY 2017 and FY 2018 fire-suppression expenses. 39

Game and Fish

- 180. Adds footnote stipulating that monies appropriated for the Sterling Springs Hatchery Renovation in FY 2017 are made nonlapsing through FY 2019. (Capital). CO 23
- 181. Adds a footnote that allows Game and Fish to transfer the \$1 million to the operating budget upon JLBC's review of an expenditure plan for these monies. 41

Office of the Governor

- 182. Adds footnote stipulating that \$500,000 of the \$1,500,000 General Fund appropriation for deposit in the Foster Youth Education Success Fund may be spent upon receipt of an equivalent amount of matching funds from gifts, grants and donations. The Office of the Governor shall make an accounting of the matching monies received to JLBC to determine the qualification for state match. The General Fund appropriation would be non-lapsing. 126

Office of the Governor – Office of Strategic Planning and Budgeting

183. Adds OSPB as a recipient of any report submitted by elected officials and the Judiciary to the JLBC.

Department of Health Services

184. Adds footnote requiring DHS to distribute monies appropriated for homeless pregnant women services to non-profit organizations located in a county with more than 3 million persons and whose primary function is to provide shelter, food, clothing, and transportation services to homeless pregnant women. 45

Industrial Commission

185. As session law, revert all monies remaining from the FY 2012 non-lapsing OSHA Review Board appropriation to the General Fund at the end of FY 2018. 109

Land Department

186. Adds footnote requiring the Land Department to provide a report to the JLBC by November 15, 2018 on the effectiveness of its FY 2018 innovation projects (professional service contracts, reassessment of federal permits, right-of-way-digitization, survey assets, workflow digitization) and its planned FY 2019 projects. 54

Legislature

187. Adds footnote allowing all remaining funds deposited to the Border Security Trust Fund in FY 2014 and FY 2017 to be disbursed to Cochise County as directed by the Joint Border Security Advisory Committee. This will allow an additional \$432.10 to go to Cochise County. 114

Arizona Medical Board

188. Deletes footnote permitting the board to use up to 7% of the Medical Board Fund balance remaining at the end of each fiscal year for a performance based incentive program. The program would continue to be funded through a line item. 59

Department of Public Safety

189. Modifies footnote to require DPS to report to the JLBC and OSPB by September 1, 2018 on its expenditure plan for the Border Strike Task Force Local Support line item and eliminates the review requirement. 78

190. Adds footnote requiring DPS to report to JCCR for review on its procurement process for modular units. (Capital) CO 14

Department of Revenue

191. Expand existing enforcement report to include Transaction Privilege Tax delinquencies. 83

Secretary of State

192. Restores FY 2017 footnote requiring any transfer to or from the amount appropriated to the Election Services line item to be reviewed by JLBC. (No election funding in original FY 2018 budget). 85

193. Adds footnote that makes new non-voter registration HAVA monies non-lapsing through FY 2020. 85

194. Adds footnote requiring JLBC review of use of new HAVA funds not used for the development of voter registration system. 85

Department of Transportation

- 195. Adds footnote requiring all expenditures for vehicle and heavy equipment replacement to be funded only from the Vehicle Replacement line item. 89
- 196. As session law, make non-lapsing through FY 2019 an FY 2018 appropriation to equip and furnish a new Flagstaff office building. 130

Universities

- 197. Eliminates footnote prohibiting the universities from expending their General Fund appropriations for contracted lobbyists. (Laws 2017, Chapter 315 replaced this footnote language with permanent law in A.R.S. § 15-1650.04.) 93-95
- 198. Modifies footnote on the Universities' report on tuition revenues expenditure plan to JLBC for its review to specify that the plan shall include the use of all projected tuition and fee revenues by expenditure category. 92
- 199. Adds footnote for the new ASU Economic Development line item requiring that the monies be used to establish an office in Guanajato, Mexico to promote trade and economic development. 93
- 200. Adds footnote requiring that at least \$100,000 of the appropriation to the School of Civic and Economic Thought and Leadership at ASU be used to support research on the Arizona state constitution and the development of a civics and constitutionalism curriculum for K-12 and postsecondary education institutions. 132
- 201. Adds footnote requiring that monies appropriated to NAU for the Economic Policy Institute be deposited into a separate account and used only for the direct operations of the institute. Requires a report from the Institute by October 1, 2018. 132
- 202. Modifies footnotes to require that all appropriations and external donations, including remaining balances from prior years, to ASU for the School of Civic and Economic Thought and Leadership and to UA for the Center for the Philosophy of Freedom be deposited into separate accounts from other university funds. 93,95,132

Department of Veterans Services

- 203. As session law, notwithstanding the requirement that the Department of Veteran Services receive a 65% match of the total cost to build a veterans home. Allow the department to use Veterans' Home Trust Fund monies for the construction of veterans' homes in Yuma and Flagstaff. CO 1-2, 20-22

Department of Water Resources

- 204. Modifies footnote to expand uses of Lower Colorado Litigation Line Item to include all Colorado River litigation. 98