

Office of Economic Opportunity

	FY 2019 ACTUAL	FY 2020 ESTIMATE	FY 2021 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	5.0	5.0	5.0
Personal Services	292,100	312,900	327,600
Employee Related Expenditures	102,300	107,400	109,900
Professional and Outside Services	6,400	4,000	4,000
Travel - In State	200	2,000	2,000
Travel - Out of State	1,600	5,000	5,000
Other Operating Expenditures	41,300	33,000	33,000
Equipment	300	4,000	4,000
OPERATING SUBTOTAL	444,200	468,300	485,500
SPECIAL LINE ITEMS			
Small Drinking Water Systems Fund Deposit	0	500,000 ^{1/}	0
AGENCY TOTAL	444,200	968,300	485,500 ^{2/}
FUND SOURCES			
General Fund	444,200	968,300	485,500
SUBTOTAL - Appropriated Funds	444,200	968,300	485,500
Other Non-Appropriated Funds	95,828,900	87,975,400	87,975,400
Federal Funds	16,700,100	23,927,100	23,927,100
TOTAL - ALL SOURCES	112,973,200	112,870,800	112,388,000

AGENCY DESCRIPTION — The Office of Economic Opportunity (OEO) is responsible for monitoring the state's tax competitiveness, evaluating the effectiveness of state incentive programs, analyzing state and local regulatory costs to businesses, serving as the state's workforce planning coordinator, and providing economic and demographic research and analysis. Also established within OEO is the Arizona Finance Authority, which oversees the Water Infrastructure Finance Authority (WIFA) and the Greater Arizona Development Authority (GADA) in addition to being the state recipient of private activity bonding authority. Additionally, OEO oversees the Arizona Industrial Development Authority which is the sole state issuer of private activity bonds.

FOOTNOTES

- ^{1/} The Water Infrastructure Finance Authority of Arizona shall report to the Joint Legislative Budget Committee on or before December 31, 2019, December 31, 2020, and December 31, 2021 on the annual amount of expenditures from the Small Drinking Water Systems Fund established by A.R.S § 49-355 for grants to interim operators, interim managers, or owners of small drinking water systems during the prior fiscal year. (FY 2020 General Appropriation Act Footnote)
- ^{2/} General Appropriation Act funds are appropriated as a Lump Sum by Agency.

Operating Budget

The budget includes \$485,500 and 5 FTE Positions from the General Fund in FY 2021 for the operating budget. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$17,200 from the General Fund in FY 2021 for statewide adjustments. (Please see the Agency Details and Allocations section.)

Small Drinking Water Systems Fund Deposit

The budget includes no funding in FY 2021 for the Small Drinking Water Systems Fund. FY 2021 adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(500,000) from the General Fund in FY 2021 to remove one-time funding for the Small Drinking Water Systems Fund.

Monies in the fund are for grants to interim operators, interim managers, or owners of small drinking water systems to repair, replace, or upgrade water infrastructure. Monies deposited into the fund are non-lapsing.

The FY 2020 budget required that the Water Infrastructure Finance Authority, which is housed in the Office of Economic Opportunity, report on annual expenditures from the fund to the Joint Legislative Budget Committee by December 31 in 2019, 2020, and 2021.

Other Issues

Agency Structure and Funding

Laws 2016, Chapter 372 created 3 new governmental entities: The Office of Economic Opportunity (OEO), the Arizona Finance Authority (AFA), and the Arizona Industrial Development Authority (AIDA). AFA is established in OEO and the AFA board serves as the board of AIDA, thus OEO has statutory supervision over all 3 entities. *(Please see the FY 2020 Appropriations Report for more details.)*

OEO

OEO is the central state agency for economic, population, and unemployment statistical analysis, the administering agency for the Workforce Arizona Council, and oversees the Workforce Data Task Force.

AFA

AFA houses the functions of the Water Infrastructure Finance Authority (WIFA), the Greater Arizona Development Authority (GADA), and administers the state's Private Activity Bond (PAB) authorization. AFA is expected to oversee \$101,828,100 in expenditures in FY 2021.

AIDA

AFA also governs AIDA, which has responsibility for the former activities for the Arizona Housing Finance Authority, Arizona Health Facilities Authority, and the Arizona International Development Authority. In addition, AIDA is authorized to issue PABs for allowable projects not otherwise covered by the other state IDAs.