

List of FY 2026 Agency Operating Budget Requests

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N/A = Request not publicly available

NR = Agency not requesting additional funding

Acupuncture Board of Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing funding to pay backlog of Central Services Bureau (CSB) accounting charges and board member pay. \$16,500 for 3 quarters of CSB invoices; \$4,200 for board member pay	0	25,000
Total FY 26 Budget Request	\$ -	\$ 25,000

Arizona Department of Administration (Including Automation Projects Fund)

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Continue Human Resources Information (AZ360) modernization project; FY 26 is scheduled to be the fourth and final year of the project (one-time)	8,041,700	0
(2) Ongoing funding for AZ360 system administration and operation upon the project's completion in FY 26	0	3,715,000
(3) Ongoing funding for the Financial Consulting Group, which advises state agencies on financial reporting requirements and standards	574,000	0
(4) Add 4 FTEs positions to oversee IT projects across the state. Additionally, funding would upgrade the Project Investment Justification (PIJ) portal (\$400,000 one-time)	0	910,000
(5) Ongoing funding to update and maintain the Web Portal platform and online payment processing systems	0	500,000
(6) One-time funding to migrate the remaining 50 agency websites to a modern platform (128 agency websites already migrated)	0	1,750,000
(7) Adjust IT service rates for mainframe and non-mainframe users to align agency charges to actual cost of service	0	0
(8a) Remove One-Time Health Insurance Trust Fund (HITF) Employer Contribution - Remove one-time total funding of \$230.9 million (\$140.0 million General Fund)	0	0
(8b) HITF Stabilization - New ongoing funding of \$354.7 million total funds. The cost would be incurred on a statewide basis rather than directly to ADOA. ADOA did not provide an estimate of the GF share, which typically makes up approximately 60% of the total costs. ADOA expects funding at this level to generate a HITF balance of \$100.1 million.	0	0
(9) Increase ongoing funding for Risk Management Revolving fund line items in anticipation of higher claims and other expenses	0	6,695,600
(10) Ongoing funding for the maintenance and operation of the Business One Stop service	2,114,300	0
(11) Remove one-time funding for COSF operating costs	0	(1,916,500)
(12) Remove one-time funding for Navajo Nation Electrical Connections	(1,000,000)	0
(13) Remove one-time funding for the Critical Applications Catalogue	0	(500,000)
(14) Remove one-time funding for Capitol Mall fiber network upgrades	0	(325,000)
(15) Remove one-time funding for a School District Health Insurance Actuarial Study	0	(250,000)
(16) Remove one-time funding for various APF projects including the HRIS Replacement, Integrated Tax System Modernization and Medicaid Enterprise System Modernization projects.	0	(26,694,000)
Total FY 26 Budget Request	\$ 9,730,000	(16,114,900)

Arizona Department of Administration - School Facilities Division

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Fund 7 FTE Positions: 3 inspectors, 3 liaisons, and 1 supervisor to process increased facility inspection and building renewal grant caseload. Also includes increased funding for existing contract with ASU for demographic analysis.	1,814,200	0
(2) Fund a one-time Facilities Condition Index study through third-party contractor to better forecast Building Renewal Grant applications. Federal monies have funded 35% of total statewide square footage for the assessment, request would fund study of remaining square footage.	6,000,000	0
(3) Continue one-time funding for Building Renewal Grants. Request would fund grants at the same total funding level as FY 25.	183,300,000	0
(4) Fund New School Facilities construction projects planned to begin in FY 26 as part of the Division's December 2023 Capital Plan.	90,230,700	0
<ul style="list-style-type: none"> • Buckeye Union 9-12: \$90.5 million total cost. FY 26 = \$45.3 million 50% of Cost (No Land Cost) • Clarkdale - Jerome K-8: \$1.5 million total cost, entirely funded in FY 26. (No Land Cost) • Laveen K-8: \$30.8 million total cost. FY 26 = \$15.4 million for 50% of Cost (See Land Below) • Laveen K-8 Land: \$7 million cost, entirely funded in FY 26 • Queen Creek K-6: \$22.2 million total cost. FY 26 = \$11.1 million for 50% of Cost (No Land Cost) • Snowflake 7-8: \$2.5 million total cost, entirely funded in FY 26. (No Land Cost) • Somerton K-6: \$14.8 million total cost. FY 26 = \$7.4 million for 50% of Cost (No Land Cost) • Final list of FY 26 projects will be approved by ADOA-SFD on or before December 15, 2024. 		
(5) Fund the second year of New School Facilities construction projects approved to begin in the FY 25 budget. This FY 26 amount is already appropriated to SFD.	45,077,100	0
(6) Remove One-Time Funding (Building Renewal Grants and New School Facilities Funding)	(292,688,100)	0
Total FY 26 Budget Request	\$ 33,733,900	\$ -

Arizona Department of Agriculture

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Continue funding IT Modernization; includes 2 FTE Positions and \$3.0 million one-time	5,026,200	0
(2) Animal health and welfare inspectors (4 FTE) to inspect livestock at auction houses; \$285,600 one-time	702,900	0
(3) Supervisor inspector for Meat and Poultry Program (1 FTE); \$45,000 one-time	164,300	0
(4) Procurement officer (1 FTE)	95,000	0
(5) Public Information Officer (1 FTE)	87,000	0
(6) Food safety trainer (1 FTE); \$107,700 one-time for training module development	220,000	0
(7) Food safety scientist (1 FTE)	127,000	0
 Total FY 26 Budget Request	 \$ 6,422,400	 \$ -

AHCCCS

	General Fund FY 26 Request	Other Fund FY 26 Request	EA FY 26 Request
<u>Budget Request</u>			
(1) MES replacement - Development (\$27.1 million) and maintenance (\$4.2 million) costs for ongoing mainframe modernization project in FY 25	3,760,000	0	27,540,000
(2) Increased funding for external legal services due to projected increase in litigation holds	1,375,000	0	1,375,000
(3) Additional benefits eligibility specialists and pre-admission assessors to address higher caseloads in ALTCS (70 FTE), along with HEAPlus enhancements (\$3 million)	2,219,200	0	6,156,900
(4) Additional provider enrollment specialists to perform enhanced background checks (22 FTE)	481,900	0	1,124,100
(5) 16 FTE for AHCCCS's Medical Assistance and Specialty Program unit to assist with higher call volume and processing of member applications	319,100	0	837,700
(6) 50 FTE to implement fee-for-service improvements, targeted at claims review timelines, prior authorization timelines, care management, and provider oversight	1,345,000	0	3,333,800
(7) Ongoing funding to continue a statewide psychiatry access line for perinatal patients, previously funded by ARPA	1,228,500	0	0
(8) Additional administrative resources to comply with 5 new CMS Final Rules addressing access to care, health equity, and quality outcomes; estimate pending	0	0	0
(9) 4 additional FTE for the Arizona Advisory Council on Indian Health Care to backfill loss of health education grant funding expiring in FY 25	226,900	0	226,900
(10) DES eligibility determinations - Supports ongoing CHIP Fund appropriation for KidsCare administrative costs, licensing software, and income eligibility verification	3,336,400	3,000,000	7,886,400
(11) Remove one-time funding for MES modernization, case management provider wage increases, and critical access hospital supplemental payments	(5,200,000)	0	(29,673,400)
(12) Technical adjustment - Shift \$280,000 CHIP Fund from the OLS to the AHCCCS Data Center SLI to fund KidsCare-related data costs	0	0	0
(21) Traditional: Assumes 2% enrollment growth, 4% capitation rate growth, and FFY 26 FMAP of 64.44%	179,218,800	0	(59,701,000)
(22) Proposition 204: Assumes 1.4% enrollment growth, 4% capitation rate growth, and FFY 26 FMAP of 64.44% for Prop 204 Other and 90.00% for Prop 204 Childless Adults	16,961,000	0	21,931,000
(23) Adult Expansion Services: Assumes 1.6% enrollment growth, 4% capitation rate growth, and FFY 26 FMAP of 90.00%	1,097,300	0	90,339,000
(24) DCS CHP: Assumes (1.5)% enrollment decline and 4% capitation rate growth	3,413,500	0	1,442,500
(25) KidsCare: Assumes 10.9% enrollment growth, 4% capitation rate growth, and FFY 26 FMAP of 75.11%	5,339,600	19,084,600	(5,116,400)
(26) ALTCS: Assumes 5% enrollment growth, 4% capitation rate growth, and FFY 26 FMAP of 64.44%	18,470,400	0	45,625,300
(27) FMAP adjustment for Behavioral Health Services in Schools	0	0	(167,400)
(28) Add traditional healing methods provided by tribal healers as a covered service for AHCCCS members; majority of expenditures will be at 100% FMAP	1,343,100	0	221,514,800

AHCCCS

	General Fund FY 26 Request	Other Fund FY 26 Request	EA FY 26 Request
(31) FMAP adjustment for Disproportionate Share Hospitals/DSH Voluntary; eliminate \$(4.2) million in DSH payments for Valleywise due to separate hospital payment program	3,900	0	85,616,300
(33) Increase Graduate Medical Education payments based on projected hospital participation	0	0	59,311,700
(34) FMAP adjustment for Critical Access Hospitals	74,000	0	(74,000)
(35) Increase Targeted Investments funding to align with 5-year program funding timeline	0	0	11,000,000
(41) Increase crisis services appropriation to address higher non-Medicaid caseloads	10,500,000	0	0
(42) 10 FTE and ongoing state match for the Housing and Health Opportunities program (previously funded by the SMI Housing Trust Fund), along with corresponding EA increase	5,492,600	0	44,358,300
Total FY 26 Budget Request	\$251,006,200	\$ 22,084,600	\$534,887,500

Arizona Commission on the Arts

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing funding for agency administrative costs (15 FTE), currently covered by a combination of federal grant funds requiring a state match and/or the Arts Trust Fund	1,500,000	0
(2) One-time funding to maintain current grantmaking levels	2,000,000	0
(3) One-time state match to draw down \$75,000 in federal funding for the creation of a state arts and health program	75,000	0
(4) Remove one-time funding for an Arts Trust Fund Deposit	(2,000,000)	0
Total FY 26 Budget Request	\$ 1,575,000	\$ -

Board of Athletic Training

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire 1 Licensing Specialist FTE to assist in application processing	0	78,500
(2) One-time funding to scan and digitize physical documents; amount includes cost of digitization for the Board of Occupational Therapy Examiners	0	39,900
(3) Ongoing project management and IT support costs related to the board's transition to a new e-licensing platform	0	15,300
Total FY 26 Budget Request	\$ -	\$ 133,700

Attorney General - Department of Law

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Shift 13 Criminal Division FTE Positions to the General Fund. Statute prohibits the AG from funding these positions from the Anti-Racketeering Revolving Fund beginning August 27, 2025.	1,724,200	0
(2) Add 4 FTE Positions to the Medicaid Fraud Control Unit to process increased caseload, including \$36,500 one-time. The appropriation would draw down \$612,000 of federal matching dollars.	0	204,100
(3) Shift 2 existing Internet Crimes Against Children Task Force FTE Positions from the ICAC Enforcement Fund to the General Fund.	335,000	0
(4) Fund increased litigation costs on an ongoing basis.	0	2,000,000
(5) Remove one-time funding for Veterans Substance Abuse Treatment Grants and DEMA/DHS agency transfers for opioid remediation.	0	(9,000,000)
 Total FY 26 Budget Request	 \$ 2,059,200	 \$ (6,795,900)

Barbering and Cosmetology Board

<u>General Fund</u>	<u>Other Fund</u>
<u>FY 26 Request</u>	<u>FY 26 Request</u>

Budget Request

(1) Continuation of Laws 2024, Ch. 250. Ch. 250 appropriated 4 FTE and \$298,300 for enforcement of board statutes in FY 25. Chapter 250 also appropriated \$200,000 in FY 25 and FY 26 for IT development.

Total FY 26 Budget Request

0

0

\$ - \$ -

Board of Behavioral Health Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) One-time funding to hire outside consultation to inform build out and functionality of the new e-licensing portal	0	20,400
(2) Outsource the educational reviews required when an applicant applying for Counseling licensure has attended a non-accredited program	0	47,900
(3) Modify physical office space to accommodate the addition of 7 new FTE positions added in the FY 25 budget	0	187,900
Total FY 26 Budget Request	\$ -	\$ 256,200
<u>FY 25 Supplemental</u>		
Funding for website migration to a new platform. The current platform will expire in January 2025.	0	90,000

Department of Child Safety

	General Fund FY 26 Request	EA FY 26 Request	Other Fund FY 26 Request
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Budget Request

(1) Congregate care cost increase due to federal match reductions, higher DD placement rates, and provider rate increases	23,210,400	0	0
(1) Enhanced kinship support services contract	7,400,000	2,000,000	0
(2) Ongoing funding to support increased operating, software, and license costs associated with the Guardian data system	20,318,900	9,128,800	0
(3) Replacement of 90 inoperable vehicles (\$2.5 million), along with repair and maintenance for other aging vehicles (\$3.4 million)	5,441,400	690,300	0
(4) Increased risk management premiums	3,828,000	0	0
(5) Permanent guardianship caseload growth - assumes annual increase of 10.5%	2,208,100	0	0
(6) Federal funding backfill associated with reductions in Title IV-B formula grants (\$535,000) and Family Transition Act funding (\$1.4 million); funding supports the DCS Hotline unit	1,885,000	0	0
(7) Extended foster care caseload growth - assumes annual increase of 3.5%	0	434,400	0
(8) Increased funding for support services contracts, including parent-child visitation, qualified residential treatment plan placements, and behavioral health placements; cost unknown	0	0	0
(9) Technical adjustment to Comprehensive Health Plan appropriation to represent available expenditure authority from AHCCCS for direct provider payments	0	23,200,000	0
Total FY 26 Budget Request	\$ 64,291,800	\$ 35,453,500	\$ -

FY 25 Supplementals

Increased funding for congregate care due to federal match reductions, higher DD placement rates, and provider rate increases	29,391,500	0	0
Increased funding for kinship support services	0	7,000,000	0
Increased funding to support operating, software, and license costs associated with Guardian Comprehensive Health Plan technical adjustment to reflect AHCCCS expenditure authority	0	0	15,557,700
	0	23,200,000	0

State Board of Chiropractic Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) One-time update to e-licensing portal to automate the processing of renewal applications and the documentation of continuing education	0	50,800
Total FY 26 Budget Request	\$ -	\$ 50,800

Arizona Commerce Authority

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase ongoing funding for Economic Development Marketing and Attraction from \$500,000 to \$5.0 million	4,500,000	0
(2) One-time deposit to reestablish a program to subsidize training/relocation costs for skilled laborers	15,000,000	0
(3) Increase annual Arizona Competes Fund deposit from \$500,000 to \$11.5 million	11,000,000	0
(4) Ongoing Major Events Fund deposit	7,500,000	0
(5) One-time Arizona Competes Fund deposit	50,000,000	0
Total FY 26 Budget Request	\$ 88,000,000	\$ -

Arizona Community Colleges

	<u>General Fund</u> <u>FY 26 Changes</u>	<u>Other Fund</u> <u>FY 26 Changes</u>
<u>Budget Request</u>		
(1) Operating State Aid. Unaudited Rural FTSE counts increased by 855 or 3.5%. Operating State Aid excludes both Maricopa and Pima.	393,400	0
(2) Equalization Aid. Assumes 7.00% NAV growth.	4,392,200	0
(3) STEM and Workforce Programs Aid. Unaudited total FTSE count increased by 3,764, or 4.2%. Includes Maricopa, Pima, and Pinal.	858,100	0
 Change from FY 25 Budget	 \$ 5,643,700	 \$ -

Registrar of Contractors

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Back out FY 25 one-time fund transfer from the Residential Contractors Recovery Fund (Non-appropriated) to the ROC fund.	0	0
Total FY 26 Budget Request	\$ -	\$ -

Corporation Commission

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Extend lapsing date of \$7.0 million FY 24 APF appropriation for eCorp replacement through FY 26	0	0
(2) Increase operating budget	0	1,200,000
(3) Increased costs in the Utilities Audits, Studies, Investigations & Hearings SLI	0	620,000
(4) Hire rate case reviewer/processor (1 FTE)	0	200,000
(5) Increase Corporations Division employee salaries	0	500,000
(6) Increased costs in the railroad program	815,000	0
(7) Increase employee salaries agencywide	25,000	1,875,000
Total FY 26 Budget Request	\$ 840,000	\$ 4,395,000

Arizona Department of Corrections

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Inmate health care injunction costs (placeholder)	0	0
(2) Enhance scanning of legal mail (via onsite scanners) and non-legal mail (via off-site vendor) to reduce contraband from entering prison complexes (\$392,200 one-time)	3,121,000	0
(3) Increase agency operating budget to pay for increased utilities, fuel, wastewater treatment, rent, and other costs.	10,610,700	0
(4) Continue FY 24 one-time funding for increased food services contract costs and adjust funding for further increases. FY 24 costs were funded at \$12.6 million from non-General Fund source.	14,526,000	0
(5) Increased maintenance and equipment costs for perimeter security, fire and life safety systems, kitchen equipment, and computer replacement (\$2.8 million one-time)	5,196,900	0
(6) Increased staff support costs for: 1) Officer uniform allowance costs (from \$720 per year to \$1,200 per year already implemented in FY 23); 2) Cadet meals contract (amount not final); and 3) Interstate inmate escort/transportation costs.	3,632,900	0
(7) Increased agency software costs and finalize migration to cloud-based storage (\$165,900 one-time)	3,743,900	0
(8) Arizona Correctional Information System (ACIS) application improvements (one-time)	2,000,000	0
(9) Upgrade and modernize correctional officer training technology (\$685,000 one-time)	1,220,500	0
(10) Impact of retirement rate changes (placeholder)	0	0
(11) Remove one-time funding	0	(12,648,300)
Total FY 26 Budget Request	\$ 44,051,900	\$ (12,648,300)
<u>FY 25 Supplementals</u>		
Inmate health care injunction costs (placeholder - currently estimated at \$6.0 million)	0	0
Enhance scanning of legal mail (via onsite scanners) and non-legal mail (via off-site vendor) to reduce contraband from entering prison complexes.	1,747,000	
Increased costs of food service contract for meals at the Correctional Officer Training Academy (placeholder - contract renewal expected in December 2024).	0	0

Arizona Criminal Justice Commission

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Staff (1 FTE) and IT funding to establish a crime data repository for statewide data sharing, and grants for state and local law enforcement agencies for data integration.	4,699,800	0
Total FY 26 Budget Request	\$ 4,699,800	\$ -

Arizona State Schools for the Deaf and the Blind

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Modifies ASDB voucher formula to incorporate District Additional Assistance (DAA) for capital and route miles reimbursement for transportation.	3,004,500	0
(2) Additional funding for contracted nursing, psychoeducational evaluation and other related services for select ASDB pupils.	739,000	393,000
Total FY 26 Budget Request	\$ 3,743,500	\$ 393,000

Commission for the Deaf and Hard of Hearing

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase support services for Deaf and Blind line item from \$192,000 to \$375,000 and make the line item non-lapsing	0	183,000
Total FY 26 Budget Request	\$ -	\$ 183,000

State Board of Dental Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Licensing database vendor fee increase	0	65,100
(2) Hire Administrative Assistants for compliance (2 FTEs) and licensing (1 FTE) to address increase in complaints and licensing applications	0	225,700
(3) 5% salary increase for all board employees	0	59,000
(4) Additional office space for Deputy Director for confidential transactions	0	5,000
(5) Annual leave payout for retiring employee (one-time)	0	39,800
 Total FY 26 Budget Request	 \$ -	 \$ 394,600

Office of Economic Opportunity

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase General Fund appropriation to hire additional staff for the increased regulatory workload from Proposition 315 (if approved by the voters)	430,500	0
Total FY 26 Budget Request	\$ 430,500	\$ -

Department of Economic Security

	General Fund FY 26 Request	Other Fund FY 26 Request
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Budget Request

(1a) LTC Caseload Growth - 6.0% caseload, 5.6% capitation growth, and a 64.44% FMAP.	303,210,000	393,300,000
(1b) Expenditure Authority to continue directed payments to hospitals, physicians, and other provider types within the Developmental Disabilities system.	0	91,500,000
(1c) State-Only Caseload Growth - 20.0% caseload growth in state-only case management (\$3.1 million); increased costs for the state-only population receiving home and community-based services (\$3.9 million); caseload growth in the population exceeding cost-effectiveness study (CES) thresholds (\$5.5 million).	12,500,000	0
(2) Funding to maintain Adult Protective Services (APS) operations with loss of Victims of Crime Act (VOCA) funding and FY 26 growth of 10%, hire investigators and support staff (204 FTE).	17,020,000	0
(3) Ongoing General Fund and one-time Child Care and Development Fund (CCDF) appropriation to cover cost of provider rate adjustments.	57,704,000	51,019,000
(4) Information Technology (IT) Projects (14 FTE) - verification portal for DES program applicants (\$1.5 million); centralizing the department's data management system (\$470,000); costs for continued use of subscription-based mainframe system (\$4.0 million); costs for continued use of licensed software (\$2.4 million).	8,340,000	1,120,000
(5) Funding for continued use of a federal income verification service that was previously offered to states at no cost.	990,000	8,990,000
(6) Funding for the state's share of the administrative costs of a new federal nutrition assistance program for school-aged children during the summer months.	1,500,000	0
(7) Funding for DES' portion of the costs to upgrade the current workplace management system the department shares with other state agencies (\$126,000 one-time).	132,500	0
(8) Remove one-time funding for Child Care subsidies, AAA Provider Rate Increases, Tribal Reservation Services, Cochise and Pinal County Assistance, and DD Job Training and Life Skills.	(18,750,000)	(131,000,000)
Total FY 26 Budget Request	\$382,646,500	\$414,929,000

FY 25 Supplementals

LTC Caseload Growth, including higher-than-expected costs of the Parents as Paid Caregivers (PPCG) program (\$76.1 million GF); state-only caseload growth costs (\$10.8 million GF); funding for continued use of a federal income verification service that was previously offered to states at no cost (\$2.5 million GF); funding for the state's share of the administrative costs of a new federal nutrition assistance program for school-aged children during the summer months (\$1.3 million GF).	88,900,000	219,200,000
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Department of Education

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase English Learner Administration funding from \$11.6 million to \$16.6 million due to higher cost of Arizona English Language Learners Assessment (AZELLA) contract.	5,000,000	0
(2) Increase grants to school districts and charter schools for literacy coaches from \$3.0 million to \$5.0 million. Includes \$227,500 for 2 FTE Positions to administer the grants.	2,227,500	0
(3) Add 10 FTE positions for maintenance and operation of ADE information technology systems as well as funding for increased software license and data storage expenses.	1,666,600	0
(4) Fund contracted costs for maintenance and development of IT system that processes teacher certification applications and renewals.	250,000	0
(5) Provide grants to schools that instruct Native American students in computer code writing. Most recently funded on a one-time basis in FY 23.	1,000,000	0
(6) Add 3 FTE Positions to improve and maintain ADE's IT system for publishing and updating school report cards.	453,600	0
(7) Add 2 FTE positions for ADE's cost of performing eligibility determinations for \$120 Summer-EBT cards (SUN Bucks) for families with children eligible for free or reduced-price lunches.	190,300	0
Total FY 26 Budget Request	\$ 10,788,000	\$ -

Department of Emergency and Military Affairs

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire additional staff and implement new technology solutions to improve the department's information technology capabilities (2 FTE)	392,800	0
(2) Hire additional grant management staff within the Division of Emergency Management (14 FTE) to assist with growing operational needs	1,441,800	0
(3) Purchase additional equipment including phones, computers, and tablets (\$81,400 one-time) and an ongoing software subscription (\$81,900) for the Division of Emergency Management. This funding would also support an advertising campaign relating to emergency evacuation programs (\$300,000 one-time)	463,300	0
 Total FY 26 Budget Request	 \$ 2,297,900	 \$ -

Department of Environmental Quality

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing deposit to the Water Quality Fee Fund (WQFF) to address revenue shortfall	9,500,000	0
(2) Ongoing deposit to the WQFF to hire 3 FTE to address backlogged reports for compliance with federal Clean Water Act; corresponding adjustment to WQFF appropriation	1,000,000	1,000,000
(3) Ongoing WQFF appropriation adjustment for projected increase in permit applications due to revised aquifer water quality standards (2 FTE)	0	776,600
(4) Ongoing Solid Waste Fee Fund appropriation adjustment due to revenue from proposed fee increase	0	1,300,000
(5) Ongoing Hazardous Waste Management Fund appropriation increase to fund program costs with existing revenue	0	717,500
(6) State cost share (10%) to remediate 2 inactive mining facilities on the federal Superfund list; estimated remediation cost of \$83 million	8,300,000	0
(7) Ongoing appropriation to support PFAS investigation and remediation	5,000,000	0
(8) Ongoing funding to identify, remediate, and/or replace cesspools and failed septic systems	500,000	0
(9) Continue funding Voluntary Vehicle Repair and Retrofit Program on an ongoing basis	0	1,036,200
(10) Air Quality: Hire 2 FTE to implement federal emissions requirements, hire consultants, and provide a state match for a federal emission reduction program; \$450,000 one-time	0	1,465,900
(11) Identify and remediate abandoned mines impacting water systems (2 FTE); ongoing	1,500,000	0
(12) Ongoing Recycling Fund appropriation to continue funding recycling grants	0	534,000
(13) Ongoing Air Quality Fund appropriation to support local emission reduction programs in Maricopa and Pima counties	0	414,300
(14) Eliminate Safe Drinking Water Program line item and shift funding to the operating budget	0	0
(15) Repeal Emergency Response Fund (ERF); shift responsibilities to the Hazardous Waste Management Fund (HWMF), which currently funds the ERF	0	0
(16) Remove one-time funding for: voluntary vehicle repair program, zero-emission heavy-duty eight-ton pilot program, and solid waste program backfill	(1,000,000)	(3,850,000)
 Total FY 26 Budget Request	 \$ 24,800,000	 \$ 3,394,500

Arizona State Board of Equalization

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Restore operating lump sum reduction to pay for software and IT related costs.	30,000	0
Total FY 26 Budget Request	\$ 30,000	\$ -

Board of Executive Clemency

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Case Analyst (1 FTE) to assist in the Board's commutation hearing preparation; \$6,000 one-time	116,000	0
(2) Additional hearing room and office space; administrative clerks (2 FTE) to support revocations and commutations casework; \$133,000 one-time for office/hearing room upgrades	355,600	0
(3) Upgrade boardroom technology	40,000	0
Total FY 26 Budget Request	\$ 511,600	\$ -

Arizona Exposition and State Fair Board

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Building renewal and capital improvements: a) request FY 26 appropriation of \$3.8 million in the FY 26 Capital Outlay bill; b) extend the lapsing date of the FY 25 appropriation for enhanced state fair operations through FY 26	0	3,802,100
Total FY 26 Budget Request	\$ -	\$ -

Arizona Department of Forestry and Fire Management

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase staffing and funding for the Office of the State Fire Marshal (27 FTEs), includes \$1,404,000 one-time	4,593,400	0
(2) Increase permanent statutory fire suppression funding by \$12.0 million and increase Fire Suppression SLI funding by \$9.8 million	21,800,000	0
(3) Maintain and fuel 35 vehicles used for Wildfire Mitigation	750,200	0
(4) Add 3-year non-lapsing language to the Wildfire Mitigation SLI	0	0
(5) Add an additional 40 FTE Positions to the Department's operating budget	0	0
Total FY 26 Budget Request	\$ 27,143,600	\$ -

Arizona Game and Fish Department

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increased operating costs for cloud services	0	665,000
(2) Increased operating costs for the ESRI Geographic Information System	0	375,000
(3) Establish annual appropriation for technology infrastructure replacement/maintenance	0	60,000
(4) Establish appropriation for 4-year computer replacement cycles within the Department	0	65,000
(5) Increased operating costs for phone and internet services	0	165,000
(6) Establish annual appropriation for procuring temporary services from technology experts	0	1,300,000
(7) Increased operating costs for dam maintenance	0	200,000
(8) Maintenance costs for the Department headquarters building at Ben Avery	0	1,200,000
 Total FY 26 Budget Request	 \$ -	 \$ 4,030,000

Department of Gaming

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Allow Dept. of Gaming to increase the Regulatory Wagering Assessment to cover the cost of federal Horseracing Integrity and Safety Act (HISA) regulations. Since FY 18, budget legislation has set this assessment at 0.5% of total amounts wagered.	0	0
(2) Increase the Boxing Commission appropriation from the Racing Regulation Fund from \$105,200 to \$400,000	0	294,800
(3) Increase the State Lottery Fund problem gambling appropriation from \$300,000 to \$1.3 million	0	1,000,000
Total FY 26 Budget Request	\$ -	\$ 1,294,800

Department of Health Services

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing increase to the Health Services Licensing Fund to maintain operations; amount to be determined after stakeholder feedback	0	0
(2) Anticipated cost increases for 7 ASH contracts; amount to be determined after renegotiation	0	0
(3) 8 FTE and other operational expenses to add 4 new required disorders to the newborn screening panel	0	3,830,900
(4) Development and implementation costs for 9 ASH IT modernization projects (\$5.8 million one-time)	7,350,000	0
(5) 2 FTE and other operational expenses to improve media relations and visual content	0	261,300
(6) Increased lease purchase payments	0	137,800
(7) Remove one-time funding for various public health initiatives, including but not limited to licensing compliance staff and heat mitigation efforts	(5,102,400)	(5,400)
 Total FY 26 Budget Request	 \$ 2,247,600	 \$ 4,224,600

Arizona Historical Society

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) One-time monies to install rolling shelves at the Papago Park Museum archives to support the acquisition of materials/shelving from the former Phoenix History Museum.	200,000	0
(2) Archival software subscription to support digital online archives. Ongoing.	75,000	0
(3) Increase maintenance funds in agency's operating budget to address deferred maintenance and unanticipated repairs at AHS's 2 facilities and 4 historic sites. Ongoing.	100,000	0
(4) Increase available grant monies for the AHS's Certified Historical Institutions (CHI) program. 59 local historical organizations are CHIs that are eligible for these small grants.	30,000	0
(5) Reopen and staff Pioneer Museum (Flagstaff). Open now only for special events with staff from other sites. Ongoing. (4 FTE)	359,700	0
(6) Replace interactive exhibit in the Transportation Gallery at the Papago Park Museum. Upcoming foundation repairs will destroy current exhibit infrastructure. One-time.	80,000	0
(7) Adjust operating budget to align with current utility costs. Ongoing.	20,000	0
Total FY 26 Budget Request	\$ 864,700	\$ -
<u>FY 25 Supplementals</u>		
Charles O Brown House (Tucson) Repairs	50,000	0

Prescott Historical Society

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire IT Technician (1 FTE) to oversee contracts with services providers and manage point-of-sale system, computer training, and agency's audio-visual, computer, and network equipment.	80,300	0
(2) Hire exhibit technician to design and install new exhibits, and maintain current exhibits and collections.	76,000	0
Total FY 26 Budget Request	\$ 156,300	\$ -

Department of Homeland Security

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) One-time state match for management and administration of the State and Local Cybersecurity Grant Program (grant award is \$5.6 million)	84,600	0
(2) Hire additional staff (8 FTE) to manage growing Cyber Readiness and Enterprise Security programs	663,800	663,800
(3) Hire additional staff (2 FTE) within the Governance, Risk, and Compliance team	0	288,700
(4) Funding for increased software licensing costs	0	896,100
Total FY 26 Budget Request	\$ 748,400	\$ 1,848,600

Department of Housing

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing deposit in the Housing Trust Fund for gap financing of 4% Low-Income Housing Tax Credit (LIHTC) projects to produce an estimated additional 2,000 low-income rental units annually.	20,000,000	0
(2) One-time deposit in the Housing Trust Fund for gap financing of 9% LIHTC projects that will receive lower awards per project under Department's FY 26 LIHTC allocation plan.	5,000,000	
(3) One-time funding for Arizona is Home program. Providing down payment assistance, reduced interest rates, and mortgage counseling for an estimated 300 families with incomes up to 120% of area median.	5,000,000	0
(4) One-time deposit to the Homeless Shelter Services Fund. Includes \$1 million for department administrative expenses for reporting, evaluation and data analysis.	10,000,000	0
 Total FY 26 Budget Request	 \$ 40,000,000	 \$ -

Industrial Commission of Arizona

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Add 39 FTEs (27 occupational safety and health division, 3 claims division, 3 legal division, 2 administration division, 2 labor department, 2 special fund division) for operation functions related to the OSHA state plan and fraud unit (\$124,600 one-time).	0	3,178,100
Total FY 26 Budget Request	\$ -	\$ 3,178,100

Judiciary - Court of Appeals

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) 10% staff salary increase (excludes judges)	1,208,600	0
(2) Additional human resources and financial specialist (1 FTE) for Division I (\$10,000 one-time)	93,700	0
(3) Appellate judge salary increase phase-in (included in FY 25 budget)	756,500	0
Total FY 26 Budget Request	\$ 2,058,800	\$ -

Judiciary - Supreme Court

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) 10% staff salary increase (excludes justices)	3,798,700	0
(2) Additional staff attorney (1 FTE) for the Commission on Judicial Conduct to support the disciplinary counsel	145,400	0
(3) Additional funding for the Court Appointed Special Advocate and Vulnerable Persons Program to investigate complaints (includes 1 FTE)	0	349,900
(4) Supreme Court justice salary increase phase-in (included in FY 25 budget)	189,200	0
Total FY 26 Budget Request	\$ 4,133,300	\$ 349,900

Judiciary - Superior Court

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) 10% staff salary increase (excludes judges)	658,800	0
(2) Increase probation line items to pay for state's share of probation funding shortfall resulting from county-approved salary increases (excludes-Maricopa County)	10,078,300	0
(3) Adult Probation Caseload Growth - add funding for 13 new probation officers to cover estimated 7.0% annual caseload growth (\$5,700 one-time)	1,323,400	0
(4) Provide funding to 11 counties for pretrial supervision staff and equipment (\$656,400 one-time)	1,908,400	0
(5) Increase funding for higher operating costs and inflation costs for statewide court-ordered removal process provided by Maricopa County	61,100	0
(6) Make \$1 million Probation Incentive Payments line item appropriation continuously appropriated and non-lapsing (permanent law change)	0	0
(7) Superior Court judge salary increase phase-in (included in FY 25 budget)	2,458,800	0
Total FY 26 Budget Request	\$ 16,488,800	\$ -

Department of Liquor Licenses and Control

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Upgrade or replace records management system and fund additional operating costs and IT staff (1 FTE). DLLC estimates a cost of \$3.9 million, including \$3.5 million one-time, to complete this project, but they did not include this amount in their request.	0	0
(2) Increase funding for the license processing division	0	100,000
Total FY 26 Budget Request	\$ -	\$ 100,000

Arizona State Lottery Commission

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase appropriation for Advertising (currently \$15.5 million) to compete with sports betting and casino gaming	0	4,000,000
(2) Decrease On-Line Vendor Fees appropriation to reflect the reduced sales percentage allocation from 4.256% to 1.079%	0	(2,766,300)
Total FY 26 Budget Request	\$ -	\$ 1,233,700

Arizona Medical Board

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) 2 FTE for the Investigations Department to reduce investigator caseloads	0	174,000
Total FY 26 Budget Request	\$ -	\$ 174,000

State Mine Inspector

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Centralize agency records into one database, includes \$600,000 one-time	680,000	0
Total FY 26 Budget Request	\$ 680,000	\$ -

State Board of Nursing

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire 2 Legal Secretary FTEs to support board investigations	0	119,900
(2) Upgrade document management software and digitize records held on microfilm and microfiche	0	63,400
Total FY 26 Budget Request	\$ -	\$ 183,300

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

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Annual cost of additional investigator (1 FTE) for complaints and compliance work	0	110,000
Total FY 26 Budget Request	\$ -	\$ 110,000
<u>FY 25 Supplementals</u>		
(1) Cover partial-year cost of an additional investigator in FY 25	0	58,400

Board of Occupational Therapy Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire a full-time Licensing Specialist to assist in application processing (1 FTE)	0	82,500
(2) Ongoing e-licensing platform support costs	0	20,400
(3) One-time funding to scan and digitize physical documents; amount includes cost of digitization for the Board of Athletic Training	0	39,900
 Total FY 26 Budget Request	 \$ -	 \$ 142,800

Board of Dispensing Opticians

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase appropriation to cover costs related to the board's recent migration to a new eLicensing platform	0	5,000
Total FY 26 Budget Request	\$ -	\$ 5,000

Arizona State Board of Optometry

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Ongoing appropriation to cover annual fees related to the board's transition to a new eLicensing platform	0	8,500
(2) Increase appropriation to cover higher building rent and office costs	0	10,000
Total FY 26 Budget Request	\$ -	\$ 18,500

Board of Osteopathic Examiners in Medicine and Surgery

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Add 3 FTE Investigative Staff (2 medical investigators and 1 administrative assistant) to address increases in complaint reporting; Includes \$222,300 ongoing for salary related expenses	0	237,300
(2) Adds 2 FTE licensing specialists to reduce application processing time; Includes \$10,000 one-time equipment costs	0	157,400
(3) Fund annual membership costs for the National Practitioner Database (repository for physician conduct and malpractice payments data) used by licensing and investigative staff	0	15,000
(4) One-time funding to update e-licensing software to add additional functionality and address statutory changes; Includes \$5,000 in ongoing for annual maintenance costs	0	24,000
(5) 10% salary increase for entire staff	0	62,200
(6) Increase funding to expand use of contracted medical consultants from 60 to 160 cases per year to improve investigation times	0	68,000
(7) Ongoing funding to relocate to larger office space	0	22,000
(8) Expand confidential monitoring program for physicians undergoing substance use treatment	0	50,000
Total FY 26 Budget Request	\$ -	\$ 635,900

Arizona State Parks Board

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Expand family camping education program (2 FTEs), includes \$231,000 one-time	0	448,200
(2) Supplemental funding for wastewater infrastructure upgrades (Amount TBD)	0	0
(3) Broadband infrastructure usage fees (Amount TBD)	0	0
(4) One-time deposit into the Arizona Trail Fund	0	250,000
(5) Remove one-time FY 25 Arizona Trail Fund deposit	(100,000)	0
 Total FY 26 Budget Request	 \$ (100,000)	 \$ 698,200

State Personnel Board

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Add a paralegal staff position (1 FTE) to manage increasing caseloads.	0	86,600
Total FY 26 Budget Request	\$ -	\$ 86,600

Arizona State Board of Pharmacy

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Compliance Officers (6 FTE) to inspect and investigate complaints	0	1,334,700
Total FY 26 Budget Request	\$ -	\$ 1,334,700

Board of Physical Therapy

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire a program projects specialist to support the agency's application, licensure, investigation, and compliance functions (0.5 FTE).	0	30,200
Total FY 26 Budget Request	\$ -	\$ 30,200

Arizona Pioneers' Home

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase agency-wide staff salaries by 10%.	0	659,900
(2) One-time funding for building renewal and capital improvement projects.	0	1,694,500
Total FY 26 Budget Request	\$ -	\$ 2,354,400
<u>FY 25 Supplementals</u>		
Increase agency-wide staff salaries by 10%.	0	659,900

State Board of Podiatry Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
Total FY 26 Budget Request	\$ -	\$ -
<u>FY 25 Supplementals</u>		
Central Services Board (CSB) Costs - Pay outstanding invoices	0	9,200

State Board for Private Postsecondary Education

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Transfer surplus monies from the Private Postsecondary Education Fund to the Student Tuition Recovery Fund to fund digitization of student records	0	100,000
Total FY 26 Budget Request	\$ -	\$ 100,000

Board of Psychologist Examiners

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Fund additional Investigator (0.5 FTE) for behavioral analyst complaints	0	61,000
(2) Additional licensing specialist (0.25 FTE) to reduce application processing time	0	14,300
(3) Salary Increase for Board Executive Director and Deputy Director to bring their hourly base pay rate to the State Personnel System Salary Midpoint	0	35,600
Total FY 26 Budget Request	\$ -	\$ 110,900

Department of Public Safety

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Vehicle replacement - Ongoing increase to vehicle replacement budget from \$5.5 million to \$25.8 million, assumes replacement of 276 vehicles annually (261 sworn and 15 civilian)	20,324,400	0
(2) Motor vehicle/aviation fuel inflation funding - \$1.4 million increase in the Motor Vehicle Fuel line item and \$289,300 increase in the aviation program to cover increased costs of fuel	1,716,200	0
(3) Ongoing funding for uniform replacement to address inflationary cost increases	0	657,800
(4) Aviation Relocation - Ongoing funding to cover new lease space for the DPS aviation fleet at Falcon Field in Mesa. Current lease space at Phoenix Sky Harbor will expire in FY 26.	244,300	0
(5) Public safety call taker positions - Ongoing funding to add 9 FTE positions for employees to field increased number of 911 and administrative phone calls	788,200	0
(6) Agency Support Division positions - Ongoing funding to add 15 FTE positions: 1) 5 FTE's for National Incidence Based Report System (NIBRS) compliance, 2) 9 FTE's for HR, and 3) 1 FTE for employee assistance services	1,981,100	0
(7) Northern Loop Microwave inflation funding - \$1.3 million one-time for cost increase to the northern loop microwave backbone project and \$190,000 ongoing for lease and utility costs	0	1,490,000
(8) Aircraft maintenance - One-time funding to address mandatory inspections of aircraft and planned maintenance/repairs of rotary wing and fixed-wing aircraft	781,000	0
(9) Ongoing funding for increased costs of investigations related to fentanyl abuse	1,000,000	0
(10) Lease purchase the Public Service Center - Authorization for 7 year lease-purchase term to buy the DPS public service center, which offers services to the public such as licenses and fingerprinting	0	0
(11) Ongoing funding to address structural balance deficit in the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Subaccount	600,000	0
(12a) Remove FY 25 one-time funding	(4,000,000)	(770,000)
(12b) Restore Border Drug Interdiction and Local Border Support line items with General Fund in FY 26 (\$27.7 million was allocated one-time in FY 25 from the Border Security Fund)	27,677,200	0
(13) Workplace management system upgrade - Funding to upgrade the facilities management system utilized by ADOT, DPS, and DES (\$43,200 one-time)	169,200	0
(14) AZPOST Funding - Ongoing funding to cover AZPOST shortfall in operating expenses, academy reimbursements, and Attorney General costs	481,000	0
 Total FY 26 Budget Request	 \$ 51,762,600	 \$ 1,377,800

Department of Real Estate

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Replace the IT system used by the department for case management, public communications, and data organization.	2,831,300	0
 Total FY 26 Budget Request	 \$ 2,831,300	 \$ -

Residential Utility Consumer Office

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire a new Public Utilities Analyst, includes 1 FTE Position and \$35,000 one-time	0	146,900
(2) Hire a new Environmental Engineer, includes 1 FTE Position and \$35,000 one-time	0	146,900
(3) Hire a new part-time Communications Director, includes 0.5 FTE Positions and \$14,000 one-time	0	85,900
Total FY 26 Budget Request	\$ -	\$ 379,700

Department of Revenue

	<u>General Fund FY 26 Request</u>	<u>Other Fund FY 26 Request</u>
<u>Budget Request</u>		
(1) Increase collections staff by 31 FTE. Agency reports a 9.5% increase of annual filed tax returns since FY 19, along with an 11% increase in Accounts Receivable. Includes \$114,200 in one-time equipment costs.	2,284,700	0
(2) Shift funding from the DOR Administrative Fund to the General Fund. Fund currently receives \$24.5 million of annual revenue compared to annual appropriation of \$27.1 million.	2,890,900	(2,890,900)
(3) Remove one-time funding from FY 25 budget for Information Technology Infrastructure for Cybersecurity and Federal Taxation Issues.	0	(1,200,000)
Total FY 26 Budget Request	\$ 5,175,600	\$ (4,090,900)

Department of State - Secretary of State

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) New Election Management System/Election Night Reporting System; Replace 10-year old system at a cost of \$3.0 M in FY 26; Ongoing operational cost of \$750,000	3,000,000	0
(2) Replace Beacon (state campaign finance system built in-house in 2016) at a cost of \$2.0 M in FY 26; Ongoing operational cost of \$500,000	2,000,000	0
(3) Operational costs (2 FTE) and grants for county election fellows program	500,000	0
(4) Pay for 2026 primary and general election costs that occur in FY 26: 1) logic and accuracy testing, 2) hiring/training temporary staff for initiative signature review, 3) and candidate petitions signature review)	500,000	0
(5) Personal security for Secretary of State on a permanent basis	250,000	0
(6) Transfer management of Business One-Stop from ADOA to Secretary of State; Shift \$1.6 M of annual SOS fees deposited in the General Fund to instead be deposited into the non-appropriated SOS Data Processing Acquisition Fund to support the program.	0	0
(7) Update IT programs built in-house to low-code/no-code platform (3 FTE); \$690,000 ongoing	840,000	0
(8) Migrate SOS's IT operations from on-premise servers to the cloud; \$150,000 ongoing cost	350,000	0
(9) Ongoing funding for IT Security and to hire 1 additional FTE	325,000	0
(10) Appropriate one-time, non-lapsing monies for Arizona America 250 Commission (5 FTEs)	500,000	0
(11) Ongoing funding for Address Confidentiality Program to backfill loss of federal monies	400,000	0
(12) Ongoing funding for conflict counsel when allowed pursuant to FY 2025 budget footnote	500,000	0
(13) Ongoing annual support for all projected Access Voter Information Database (AVID) costs. State/counties share current annual operational costs	2,340,000	0
(14) Building feasibility study for State Library and Archives, as current archives building is expected to reach capacity by 2028	100,000	0
(15) Salary adjustment for all staff and institute merit-based raises and retention bonuses	500,000	0
Total FY 26 Budget Request	\$ 12,105,000	\$ -

State Board of Technical Registration

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Update land surveyor examination; One-time	0	80,000
(2) Update geological engineer examination; One-time	0	60,000
(3) Investigator senior (1 FTE) position to investigate complaints	0	91,000
Total FY 26 Budget Request	\$ -	\$ 231,000

Arizona Department of Transportation

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Highway Maintenance/Preventive Surface Treatment inflation funding - Ongoing funding to cover a 12.4% inflationary increase in the cost of maintaining highways over the past year	0	15,793,300
(2) Field Office Automated System (FAST) replacement - Third year of 5-year plan to replace the FAST IT system which internally manages construction project administration and contracts	0	5,670,000
(3) Maintenance Management System (MMS) replacement - First year of 3-year plan to replace the MMS IT system which internally manages infrastructure maintenance	0	3,222,500
(4) Enforcement and Compliance Division (ECD) Funding - Ongoing increase to restore the \$2.0 million that was reduced from the department's ECD in the FY 25 budget	0	2,000,000
(5) Highway maintenance, new lane miles - Ongoing funding for 38 new highway lane miles (24 urban miles and 14 rural miles)	0	797,400
(6) Highway maintenance, Loop 202 - Ongoing funding for annual increase in developer maintenance costs for Loop 202 South Mountain freeway	0	106,900
(7) Highway maintenance, I-17 flex lanes - Ongoing funding for annual increase in developer maintenance costs of flex lanes along I-17 from Black Canyon City to Sunset Point	0	813,600
(8) Internal Fleet fuel - Ongoing funding to cover increased cost of fuel for ADOT's internal fleet	0	2,533,500
(9) License plate volume decrease - Ongoing funding for anticipated cost increases in license plate production	0	308,600
(10) Driver license volume increase - Ongoing funding for anticipated growth in driver license production and production cost increases	0	38,600
(11) State Fleet maintenance funding - Ongoing funding and 16 new FTE positions for increased maintenance costs of the state fleet	0	10,477,500
(12) State Fleet replacement funding - Ongoing funding for increased vehicle replacement costs of the state fleet	0	5,035,000
(13) MVD security upgrade - Year 4 of 5-year plan to upgrade security equipment (alarms, video surveillance) at 7 MVD locations statewide	0	789,100
(14) ADOT software funding - Ongoing funding for increased cost of the ADOT software maintenance budget	0	1,713,500
(15) Workplace management system upgrade - Additional funding to upgrade the facilities management system utilized by ADOT, DPS, and DES (\$238,000 one-time)	0	316,000

Arizona Department of Transportation

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
(16) Cyber Security Update - Ongoing funding to hire a consultant team to remediate cyber security vulnerabilities by updating agency code, operating systems, and applications	0	1,392,000
(17) Passenger Rail Administration - One-time funding to cover administration costs associated with a federal grant awarded to conduct a study on a proposed Phoenix-Tucson rail corridor	0	200,000
(18) ADOT Internal Fleet Maintenance - Ongoing funding in the ADOT Fleet Maintenance and ADOT Fleet Maintenance Contingency line items to cover increased maintenance costs	0	3,020,600
(19) Ongoing funding shift of \$316,700 from the operating budget, Authorized Third-Parties line item, and Highway Maintenance line item to the Attorney General Legal Services line item	0	0
(20) Remove FY 25 one-time funding assumed in the 3-year budget plan	0	(20,554,300)
 Total FY 26 Budget Request	 \$ -	 \$ 33,673,800

State Treasurer

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Hire an additional statewide accountant (1 FTE) to assist in the accounting, reconciliation, and audits of invested assets	0	81,800
(2) One-time office improvements including new chairs, carpets, and other equipment	0	200,000
(3) Increase office-wide staff salaries by 10%	0	262,800
(4) Hire a new executive management staff member (1 FTE) to specialize in communications, marketing and administrative duties for the Local Government Investment Pool	0	125,100
	0	81,800
(5) Hire an additional IT analyst (1 FTE) to increase security and fraud controls on financial transactions		
Total FY 26 Budget Request	\$ -	\$ 751,500

Veterinary Medical Examining Board

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Add Senior Medical Investigator (1 FTE)	0	113,300
(2) Increase operating budget to align with the board's travel costs for animal crematory inspections	0	6,400
(3) Ongoing funding for annual e-licensing system updates for statutory changes and other issues. Updates will require 80 hours of vendor time at the contracted rate of \$85 per hour.	0	6,800
Total FY 26 Budget Request	\$ -	\$ 126,500

Water Infrastructure Finance Authority

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Seek plan for future financial support of the Long-Term Water Augmentation Fund and/or other support such as additional non-financial tools/authority to support fund goals	0	0
(2) Request \$25,000,000 to be allocated from American Rescue Plan Act (ARPA) funds to the Water Conservation Grant Fund in FY 26. Propose funding at same amount in FY 27 and FY 28	0	0
(3) Seek plan for future financial support of the Water Supply Development Revolving Fund	0	0
Total FY 26 Budget Request	\$ -	\$ -

Department of Water Resources

	<u>General Fund</u> <u>FY 26 Request</u>	<u>Other Fund</u> <u>FY 26 Request</u>
<u>Budget Request</u>		
(1) Appropriate monies for potential Colorado River litigation	1,000,000	0
(2) Add 2 FTE attorneys to support workload related to post-2026 Colorado River operations agreement negotiations, future water rights settlements, and state water policy	338,000	0
(3) Additional technical staff (12 FTE) to support newly regulated groundwater areas and potential groundwater regulation in rural areas.	1,132,400	0
(4) Add 2 FTE for Assured and Adequate Water Supply Staff to address: Increase in applications for water supply designations in Active Management Areas (AMAs) and areas outside of AMAs; Staff rulemaking for Alternative Designation of Assured Water Supply (ADAWS) for Phoenix and Pinal AMAs; Reestablish review of “deemed adequate” water supply designations held by certain rural cities; Staff succession planning for the water supply program.	196,300	0
(5) Annual cost of operating and maintaining Arizona's Continuously Operating Reference Stations (CORS) network that provides precise GPS and elevation data. DWR manages the 29 station system since April 2023 after taking over operations of the CORS network from ADOT.	300,000	0
(6) Costs of third-party review for department's information technology project	0	0
Total FY 26 Budget Request	\$ 2,966,700	\$ -