



# 2019 Session Recap

2019 ACE Conference



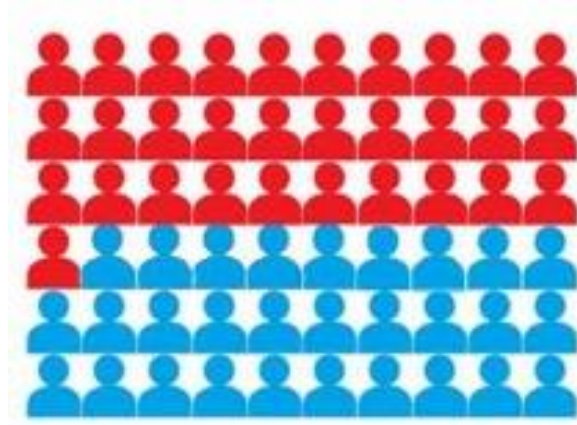
## Arizona Legislature



## House of Representatives

Republicans – 31

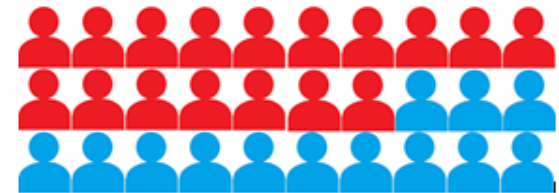
Democrats – 29



## Senate

Republicans – 17

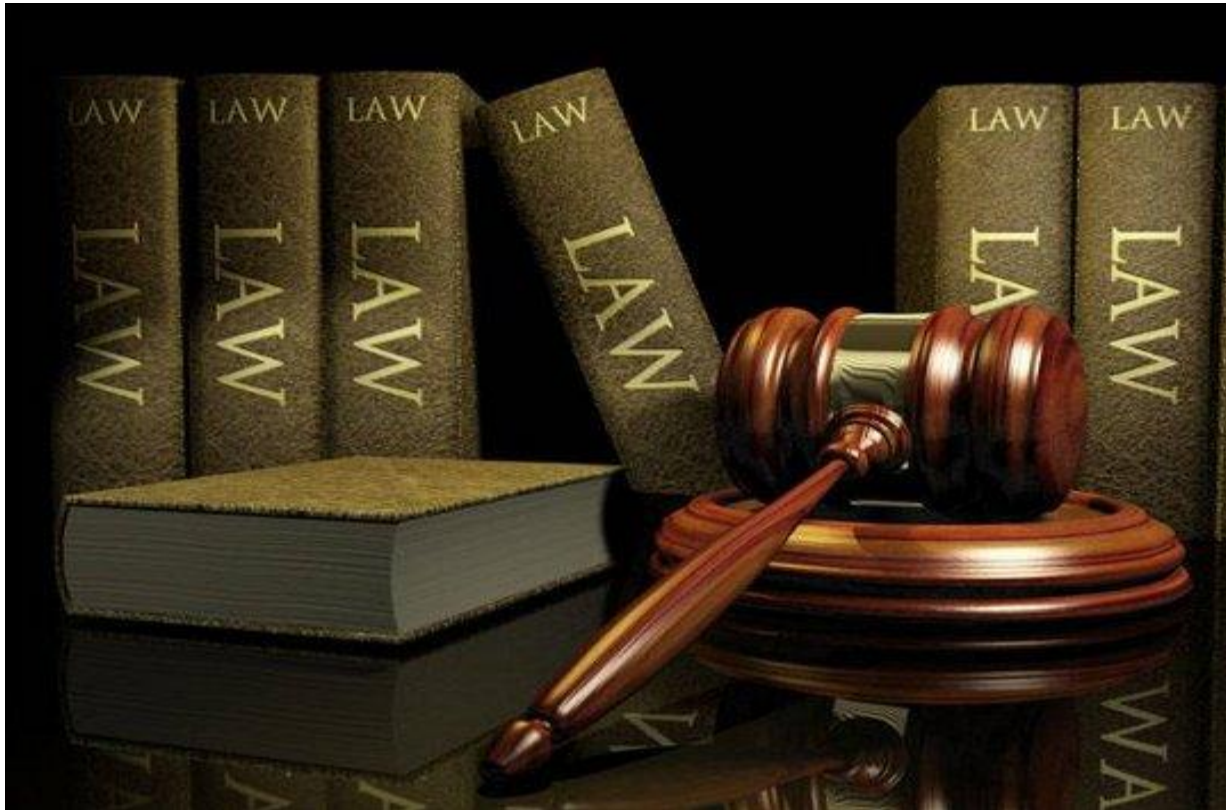
Democrats – 13



## 2019 Session

- **134 Days**
- **1,318 Bills Introduced**
- **320 Bills Signed into Law**
- **24% of Introduced Bills Became Law**
- **11 Bills Vetoed**

## 2019 Business Legislation



- HB 2004 Nuclear Management Fund; Appropriation; Assessment
- HB 2075 Electronic Prescribing; Exemptions; Deadlines
- HB 2123 TPT; Distributions; Community College Districts
- HB 2177 Regulatory Sandbox Program; Amendments
- HB 2257 Civil Liability; Gun-Free Zones
- HB 2318 Driving; Wireless Communication Device; Prohibition
- HB 2523 Youth Employment
- HB 2569 Occupational Licensing; Reciprocity
- HB 2657 Arizona Commerce Authority; Workforce Development

- HB 2673 Property; Products; Services; Sandbox
- HB 2686 Business Licensing Requirements; Web Portal
- HB 2702 TPT Marketplace Facilitators; Nexus
- SB 1085 Association Health Plans
- SB 1091 Budget Stabilization Fund; Deposits
- SB 1096 Health Professionals Data; Repository
- SB 1184 Schools; Personal Financial Management
- SB 1217 Arizona High School Graduations; Tuition
- SB 1227 Colorado River Drought Contingency Amendments

- SB 1248 Property Taxes; Valuation; Property Modifications
- SB 1256 School Districts; Procurement Practices; Auditors
- SB 1271 Purchaser Dwelling Actions; Notice; Complaints
- SB 1305 Peer-to-Peer Car Sharing
- SB 1332 Alternative Fuel Vehicles; VLT
- 1366 Commerce Authority; Data Centers
- SB 1451 Statewide Ballot Measures; Circulators; Procedures
- SB 1460 TPT; Digital Goods and Services
- SB 1528 Video Service Providers; License



## FY 2018 State Budget



## FY 2020

**Ongoing Spending Above Baseline** **\$161M**

**One-Time Spending Above Baseline** **\$637M**

*\*Excludes Rainy Day Fund Deposit*

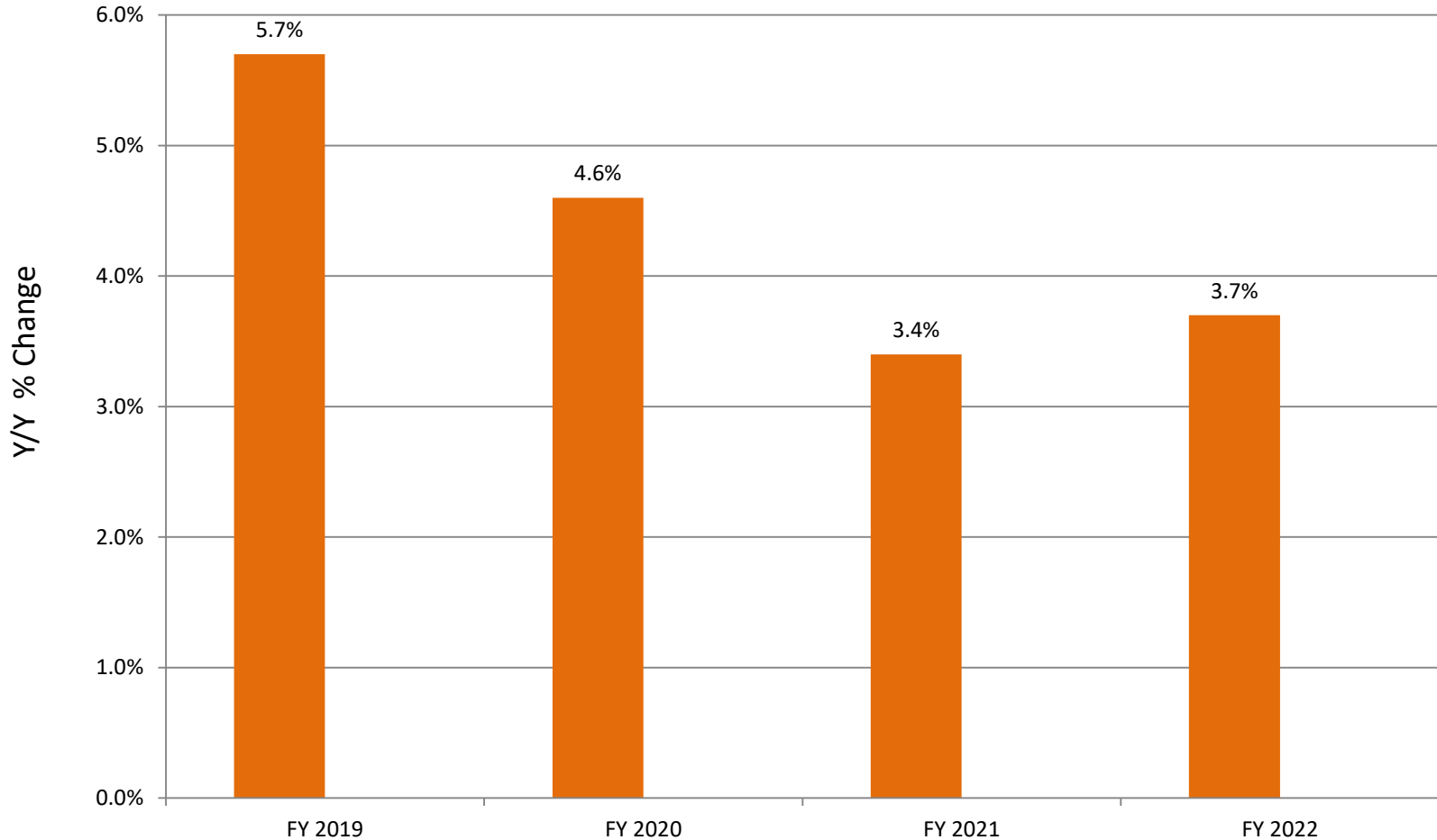
**Rainy Day Fund Deposit** **\$542M**

*\*Split evenly between FY 2019 & 2020*

**FY 2020 Ending Cash Balance** **\$64M**

**FY 2020 Ending Structural Balance** **\$310M**

## Base Growth Rate



## Major Ongoing Spending Increases/Policy Issues

• Second Year of 20x2020 (Teacher Pay)	\$164.7M
• K-12 Results Based Funding	\$30
• School Resource Officers / Counselors	\$20
• Graduate Medical Education	\$3
• Eliminate KidsCare Freeze	\$1.6
• University Teacher Academy	\$15
• U of A Health Sciences Center	\$8
• ADC Inmate Healthcare	\$31
• DES Make Prop 206 Money Ongoing	\$13
• DES Additional Developmentally Disabled Funding	\$13
• Additional DPS Officers	\$11
• State Employee Raises	\$74
• New Trade Offices in Mexico & Israel	\$.5

*\*Amounts indicated are in relation to the JLBC Baseline*

## Major One-Time Spending Increases/Policy Issues

- K-12 New School Construction \$27M
- K-12 Building Renewal Grants \$63
- K-12 Additional Assistance Restoration Acceleration \$68
- University Support \$35
- MCCCDCD Healthcare Specialty Expansion \$6
- Maricopa / Pima CC STEM Funding \$2
- Water Infrastructure Projects \$51
- Additional Road Infrastructure Projects \$95
- DPS Projects \$6
- DCS IT System \$5
- Business One-stop Web Portal \$1
- Housing Trust Fund Deposit \$15
- Sale/Leaseback Debt Payoff \$190

*\*Amounts indicated are in relation to the JLBC Baseline*

## Other Issues Included in Budget Package

- **Highway Safety Fee Fully Repealed by FY 2022**
- **Wayfair Tax Legislation**
- **Federal Tax Conformity**
  - \*Wayfair and Conformity Revenue Increases Offset by Tax Reduction*
- **25% State Charitable Deduction for Standard Deduction Filers**
- **University Tech Transfer Fix**
- **Business TPT Estimated Payment Threshold Raised**

# 2019 Session Recap

## Ending Picture

	FY 2019	FY 2020	FY 2021	FY 2022
Ongoing Revenue	\$10,878	\$11,101	\$11,444	\$11,855
Ongoing Spending	10,112	10,791	11,306	11,828
Cash Balance	764	65	43	11
Structural Balance	\$766	\$310	\$138	\$27



# Questions?

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