

Update on Federal and State Actions Affecting County Funding

Prepared for Pima County Board of Supervisors Meeting
October 14, 2025



Federal Update Key Topics

Pima County Update Key Discussion Items:

- Government Shutdown and Pima County Program Impact
- &
- Status of Appropriations and One Big Beautiful Bill Act on Pima County Programs



Federal Government Shutdown and Program Impact

- Federal Government Shutdown started **October 1st**

- Most recent shutdown was 2018 / 2019 and lasted for **35 days**

- Government Shutdown Scenarios for County Impact

- Funds
 - Federal programs that rely on federal fiscal year **first quarter funding**
 - Some government funded programming can use roll-over funds from previous fiscal years through shutdown period
 - State-pass through fund availability for programs
- Functions
 - Core functions of government retention during shutdown period; Workforce furloughs, reduction in force
 - County programmatic impacts and withstanding an extended shutdown period



Safety Net Services & Housing

Central to Continuing Resolution Discussions

State-share Cost & Administrative Shifts



Medicaid Benefits:

Roughly 1/3 of Pima County residents are enrolled in AHCCCS

- Traditional Enrollment - 66%, Prop 204 Expansion Group - 26%, Affordable Care Act Expansion- 4%, & ALTCS - 4%
- 37% of the AHCCCS enrollees in 2025 are children.
- Compared to the traditional Medicaid population – the expansion populations are: 66% more likely to have received care associated with **mental, behavioral, or neurodevelopmental health**
- **More than 1/3** of Medicaid enrollees have a diagnosis of mental, behavioral, or neurodevelopmental disorder



SNAP Benefits:

In FY 2023, US Census Bureau estimates that ~59,000 households are 'with cash public assistance of Food Stamps / SNAP' (13% of all Pima County households). On average 10.2% of Arizona households were food insecure between 2020 and 2022.



Work Requirements and Eligibility Verification

Reorganization of Federal Departments and Programs – Health and Human Services (affecting public health, mental health and substance use programming) and Department of Labor job training programs



Impacts to-date from Shutdown Grant Portals

- JustGrants (DOJ) is offline – no award actions until operations resume – potentially affecting grants for **Justice Services, Courts, Pima County Attorney's Office, Public Defense Services and Pima County Sheriff's Department**
 - Grants.gov open but reduced capacity
 - DOT discretionary grant programs are expected to be paused / delayed
 - EPA, USDA, HUD & Education are in varying states of suspension – administrative, permitting and discretionary grant actions are paused – potentially affecting grants for **Community Workforce & Development, Department of Environmental Quality, Pima County Health Department**
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- Assessing risk of funds that anticipated start of federal fiscal year funding on October 1st – **Women Infants & Children Programming (retained by both the House and Senate in Appropriations)**



Appropriations Status Prior to Shutdown

Committee / Item	Status – House of Representatives	Status - Senate
Budget Resolution	TBD	TBD
302(b) – establish the cap on spending for each of the appropriations bills	Approved by full committee markup 7/17	TBD
Agriculture	Approved by full committee markup 6/23	Approved by full committee markup 7/10, Passed on 8/1
Commerce, Justice, Science	Approved by full committee markup 9/10	Approved by full committee markup 7/17
Defense	Approved by full committee markup 6/12, Passed 7/18	Approved by full committee markup on 7/31
Energy Water and Development	Approved by full committee markup 7/17, Passed 9/4	TBD
Financial Services and General Government	Approved by full committee markup 9/3	TBD
Homeland Security	Approved by full committee markup 6/24	TBD
Interior, Environment	Approved by full committee markup 7/22	Approved by full committee markup 7/24
→ Labor, HHS, Education	Approved by full committee markup 9/9	Approved by full committee markup 7/31
Legislative Branch	Approved by full committee markup 6/26	Approved by full committee markup 7/10, Passed 8/1
Military Construction, VA	Approved by full committee markup 7/23, Passed 6/25	Approved by full committee markup 7/10, Passed 8/1
National Security, State	Approved by full committee markup 7/23	TBD
→ Transportation, Housing Urban Development	Approved by full committee markup 7/17	Approved by full committee markup 7/24



OBBA and Appropriations

Detail on Federal Awards

Transportation Housing & Urban Development

Labor, Health and Human Services, Education & Related Agencies

Housing and Urban Development

HUD Funding	FY2024	FY2025	FY2026 President's Budget Request	FY 2026	FY 2026
				Appropriations - House	Appropriations - Senate
Community Development Block Grant Program	\$6.7B	\$3.4B	\$ -	\$3.3B	\$4.5B
State Rental Assistance Block Grants (work limits) \$	-	\$ -	\$36.2B	\$35.27B	\$33.97B
HOME investment Partnership Program	\$1.25B	\$1.25B	\$ -	\$ -	\$1.25B
HOPWA	\$505M	\$505M	\$ -	\$ -	\$529M
Continuum of Care	\$3.6B	\$3.6B	\$ -	\$3.9B	\$4B
Pathways to Removing Obstacles	\$100M	\$100M	\$ -	\$ -	\$60M
Homeless Assistance - Emergency Services Grants	\$4.051B	\$4.051B	\$4B	\$4.158B	\$4.53B

Health and Human Services

HHS Funding	FY2025	FY 2026	FY 2026	FY 2026
		President's Budget Request	Appropriations - House	Appropriations - Senate
Centers for Disease Control and Prevention	\$9.2B	\$4.3B	\$7.5B	\$9.1B
Substance Abuse and Mental Health Services Administration	\$7.4B	\$6.2B	\$7.0B	\$7.4B

MAHA allocation \$20.6B which represents shifts from CDC, HRSA, and other HHS agencies – determining specific grant oversight; LIHEAP, CSBG retained. PHEP reduced.



Other Federal Impacts of Litigation

- **Funds paused from Department of Homeland Security** – annual grant award for Pima County Office of Emergency Management
- The County is **reviewing litigation and conducting a risk assessment** on other potential indirect or direct impacts to Pima County
- Currently there are **439 lawsuits tracked** against the administration
- **Lawsuit Status:**
 - 195 are awaiting Court Ruling
 - 29 are Blocked
 - 83 are Temporarily Blocked
 - 10 are Temporarily Blocked, Temporary Block Denied in Part
 - 23 are Closed
 - 7 are Closed / Dismissed in Favor of Government
 - 2 Transferred



Grants Risk Assessment and Pima County General Fund Impact

- Pima County Administrator's Office, Pima County Finance & Risk Management, and Grants Management and Innovation are collectively working with Departments on **Shutdown / Appropriations Risk Plan**
- The County currently **manages 212 grant awards with 77% of those directly federally funded or funded through a pass-through agency**

As the government shutdown continues, we will update the BOS on **any blocks to County funds, projects, or general fund impact**

Upon completion of any Continuing Resolution or finalization of Appropriations, will provide the **net impact on funds and programs**



PIMA COUNTY

Thank you!



PIMA COUNTY

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