

# Update on Federal and State Actions Affecting County Funding

Federal and State Executive, Legislative and Judicial Actions  
Pima County Board of Supervisors Presentation  
April 15, 2025





# Federal Executive Orders & Other Actions

- Since January 20<sup>th</sup>, there have been over **112 Executive Orders** issued and signed, with over 178 legal actions in response to the Executive Office actions
- State-level Update
- Medicaid Risk
- Federal Funding and Pima County Grants & Budget Implications
- Continued Substantial Reduction in Federal Workforce
- High-level Election and Tariffs Update





# State Legislative Update

Committee sessions have concluded except for budget hearings and special appropriations (4/15)

– **51 bills signed and 4 vetoed**

Consideration of bills introduced late to address the State's current FY developmental disability budget shortfall (\$122M)

---

## Pima County Initiatives Progress:

- County registered sanitarian changes – signed into Law
  - Post-conviction relief bill – nearing completion
- 18 bills introduced on homeowners' insurance cost and availability
- More controversial bills on impacts to revenue, taxation and elections moving through – veto count expected to grow





## Medicaid – AHCCCS and State Legislative Update

\$122 million budget shortfall tied to comprehensive services from Division of Developmental Disabilities (DDD)

- DDD offers health care coverage to members who are eligible for ALTCS through a contract with AHCCCS
- Funds essential programs and reimbursements for care tied to ~60,000 Arizonans (~10,000 in Pima County)

---

Resolution passed to extend deadline to find funds for shortfall – full legislature must pass a bill to allocate extra funds – 4/15

The program is **set to run out of funds by end of month** – thousands of Arizona residents are reliant on these funds





# Medicaid Update

## AHCCCS Enrollment in Pima County

### Federal Budget Bill proposes \$880B in Medicaid Cuts:

**Who is enrolled in Arizona State Medicaid (AHCCCS) In Pima County**  
~25-30% of the population is covered by AHCCCS

- **Traditional enrollment** in AHCCCS
  - 66% of Pima County's AHCCCS enrollees are **traditional enrollment**
- **Expansion group – Prop 204, passed in 2000**
  - 26% of Pima County's AHCCCS enrollees are within this expansion group
- **Expansion group – Affordable Care Act expansion**
  - 4% of Pima County's AHCCCS enrollees are in ACA expansion group, representing 100 – 133 FPL
- **ALTCS – Arizona Long-Term Care**
  - 4% of Pima County's AHCCCS enrollees are ALTCS – to include, but not limited to - elderly, individuals with significant physical disabilities, intellectual and developmental disabilities – 35% are children under 18.



Cuts to AHCCCS would affect the accessibility of care and influence the type of care available / received for thousands of Pima County residents – would affect providers, hospitals, families, and the economy in addition many more aspects across this community.





# Pima County Medicaid Population

"[t]he primary conclusion from this research is that the economic consequences of federal spending reductions at the scale that are being considered will be significant. For context, the economic impact on the state of Arizona will fall somewhere between a significant recession and the Great Recession that caused massive fiscal trauma for multiple years."  
*Arizona Policy Brief – Rounds Consulting Group*

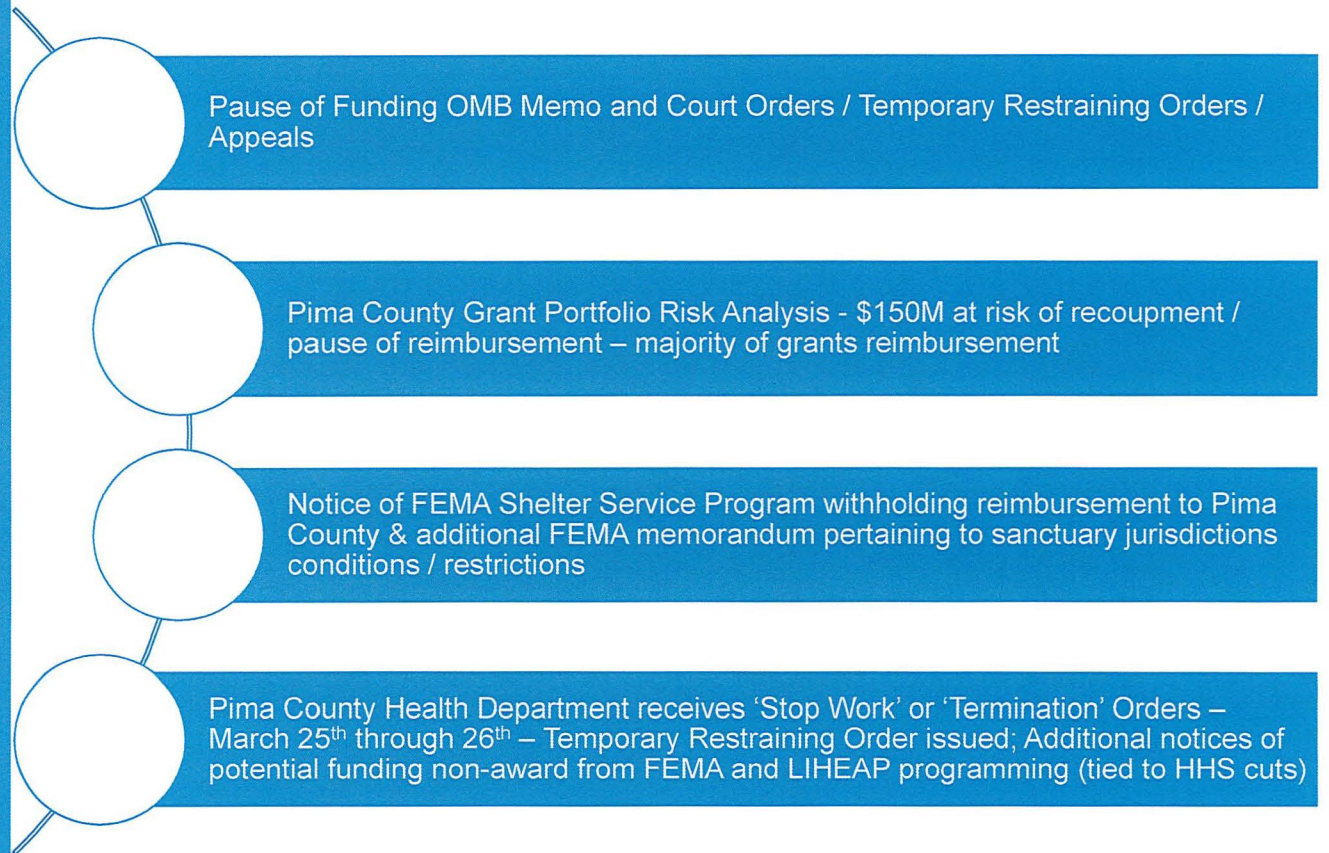
- 37% of the AHCCCS enrollees in Pima County are **children**
- Compared to the traditional Medicaid population – the expansion populations are:
  - 66% more likely to have received care associated with **mental, behavioral, or neurodevelopmental disorder**
  - 51% more likely to have received care for an **endocrine, nutritional or metabolic disorder**, and
  - 78% more likely to have received care for a **circulatory disorder**
- **More than 1/3** of Medicaid enrollees have a mental, behavioral, or neurodevelopmental disorder
- Reducing Medicaid enrollment would **leave thousands of residents without healthcare coverage**, pushing the burden onto providers, hospitals, and governments – a reduction in preventative care, reliance on Emergency Departments and cripple economic growth





# Status of Federal Funding Holds / Pauses

## Timeline of Federal Funding Directives and County-directed Pauses:







# Federal Workforce

- US-based employers announced over 275,240 job cuts in March 2025  
(205% increase compared to March 2024)
- Almost **80% of those job cuts** (216,670) are due to Department of Government Efficiency (DOGE) Actions
- Federal Judge ordered six federal agencies to **rehire thousands of workers** with 'probationary' status – blocked by Supreme Court ruling

---

Department of Labor data suggests **claims for unemployment are at their highest since November 2021** – with first-time claims slightly dropping.

Federal layoffs, funding cuts and impact of tariffs will continue to impact this. While much is in legal review, the Supreme Court ruling is notable.





## Elections

---

## Tariffs

- Executive Order on **election integrity** – federal oversight, resourcing, and involvement in elections
  - **Safeguard American Voter Eligibility (SAVE) Act** and associated proposed requirements – passed the House April 10<sup>th</sup> – awaiting Senate review
- 
- Reciprocal tariffs – paused for 90 days – exception of China (125%)
  - **Monitoring for impacts to Pima County projects** and project / goods costs





PIMA COUNTY

**Thank you!**





## **PIMA COUNTY**

### **Board of Supervisors**

Rex Scott, *Chair*, District 1

Adelita S. Grijalva, *Vice Chair*, District 5

Dr. Matt Heinz, District 2

Jennifer Allen, District 3

Steve Christy, District 4

### **Pima County Administrator**

Jan Leshner