

The Honorable  
**Kimberly Yee**  
Arizona State Treasurer  
**Western Alliance Bank**  
**Phoenix Economic Forum**  
October 21, 2025



**AZ529**  
ARIZONA'S EDUCATION SAVINGS PLAN  
TREASURER KIMBERLY YEE



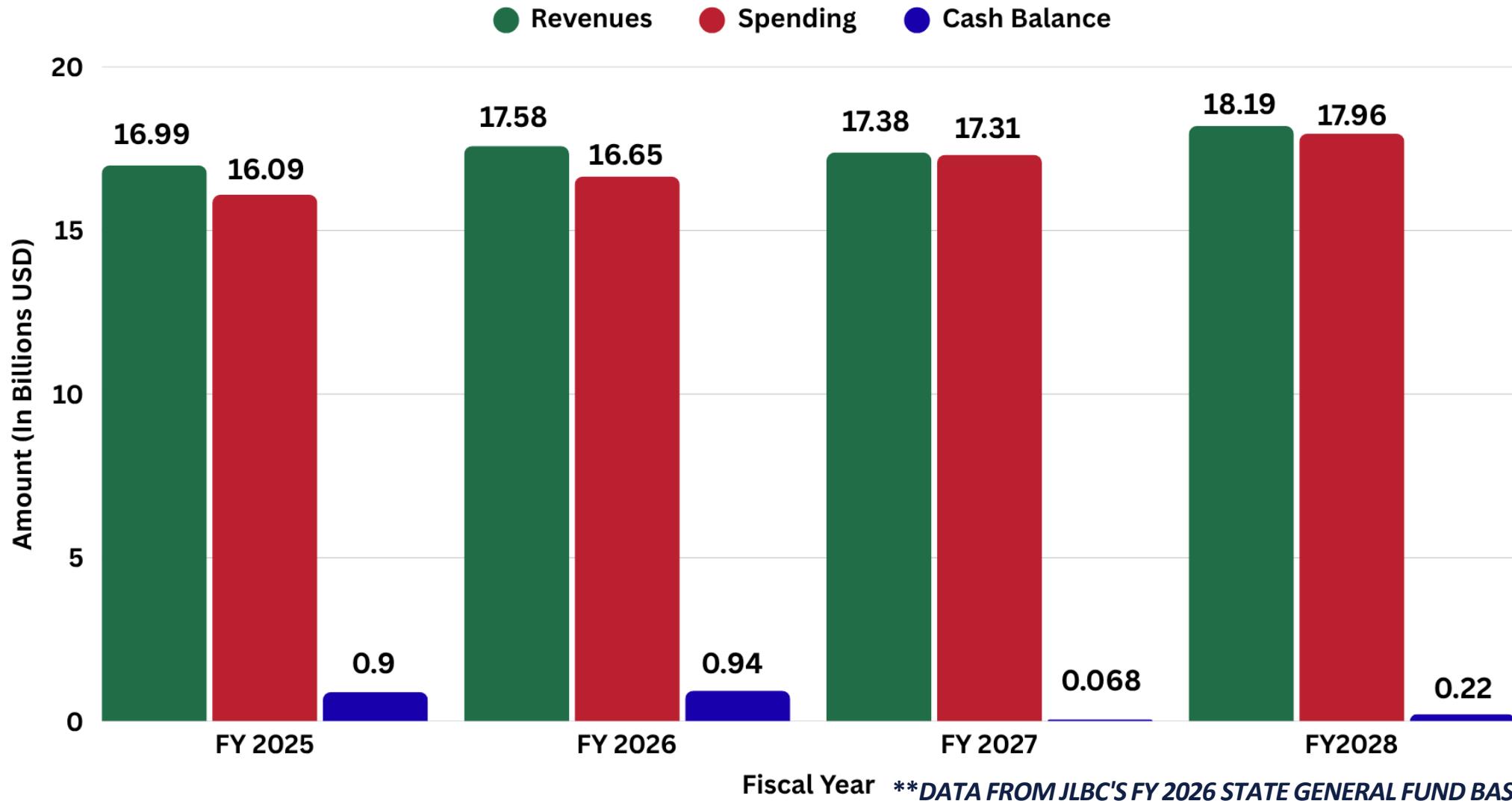


# Arizona State Budget Process

-  A Balanced Budget is required annually and must be passed by the beginning of a new Fiscal Year (July 1<sup>st</sup>). The process of passing a budget is as follows:
1. State Agencies submit budget requests to the Governor's Office.
  2. Governor's Office (with Strategic Planning & Budgeting) prepares the budget proposal and submits the proposal to the Legislature.
  3. The Legislature reviews, debates, and passes budget bills.
  4. Governor signs or vetoes budget bills (can use line-item veto).
  5. Legislature may override vetoes with a two-thirds vote.
  6. Key bills passed before the new Fiscal Year: General Appropriation Act and Budget Reconciliation Bills.

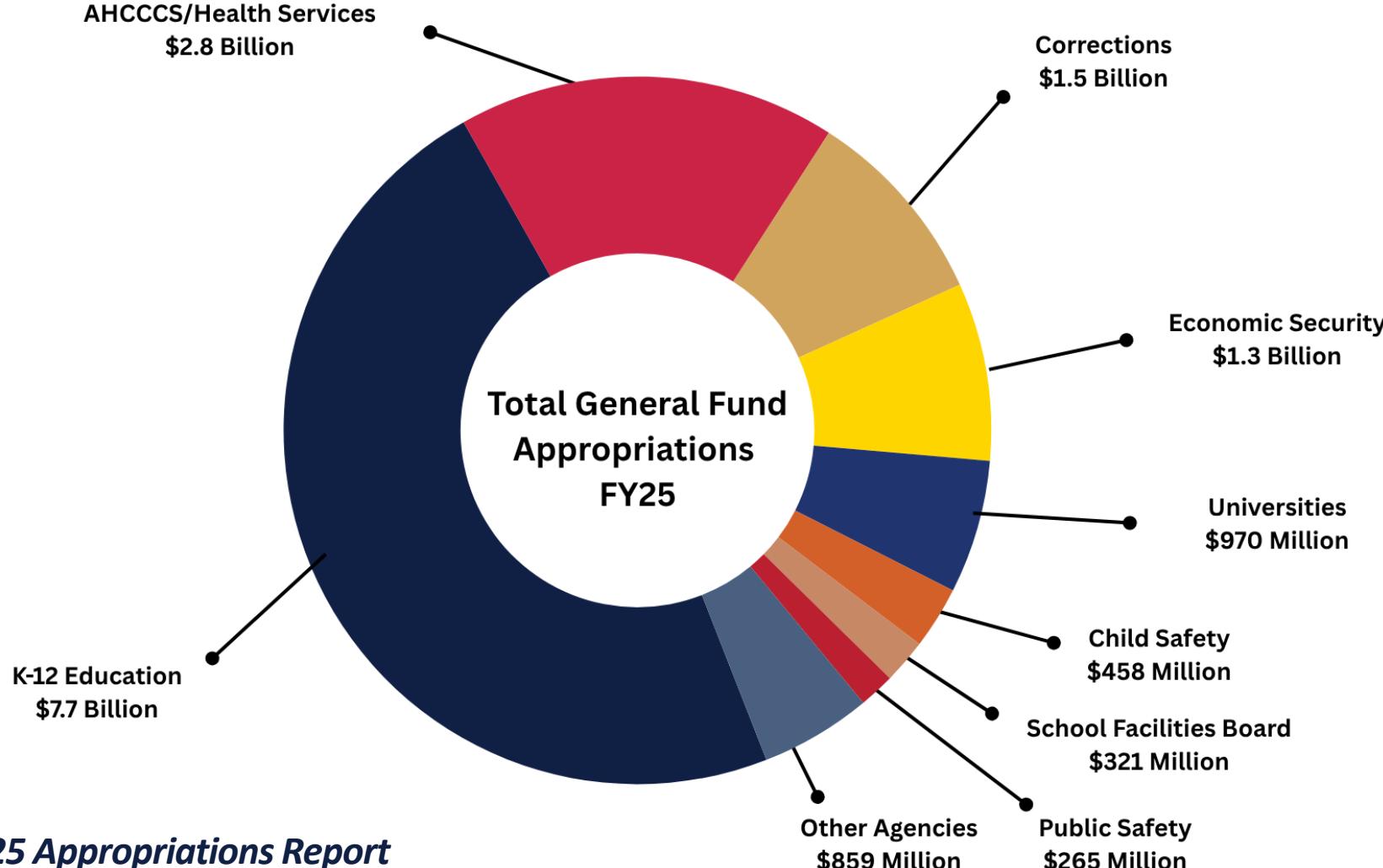


# State Budget Trend and Forecast





# General Fund Appropriations in Fiscal Year 2025





ARIZONA TREASURER KIMBERLY YEE  
**HAS INCREASED**  
ASSETS UNDER MANAGEMENT  
FROM \$15.4 BILLION IN JANUARY 2019  
**TO \$31.8 BILLION**  
**AN INCREASE OF 107%**



UNDER ARIZONA TREASURER  
**KIMBERLY YEE**  
**NEARLY \$6 BILLION**  
IN RECORD EARNINGS DISTRIBUTED  
SINCE JANUARY 2019







LOCAL GOVERNMENT INVESTMENT POOL ASSETS HAVE  
**INCREASED BY 127% TO  
\$7.4 BILLION**  
SINCE TREASURER YEE TOOK OFFICE IN JANUARY 2019





# Permanent Land Endowment Trust Fund

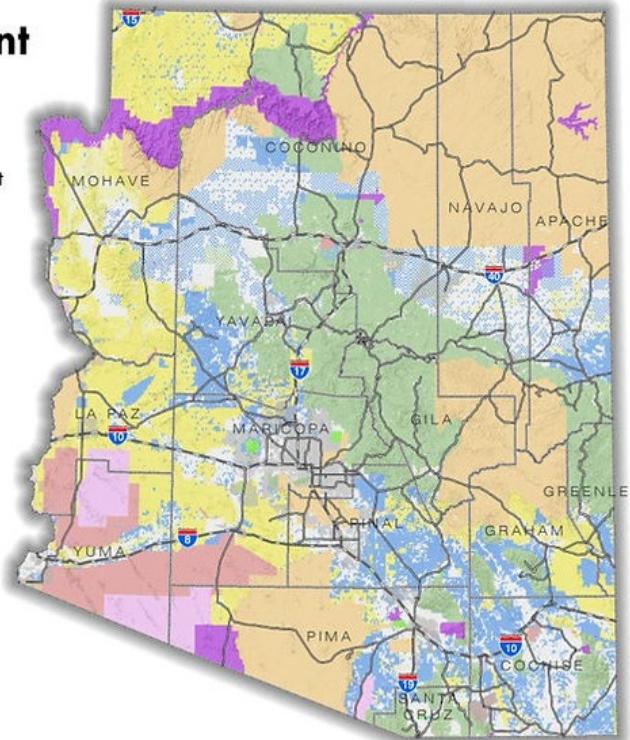


- We deposit and invest the proceeds of land sales in the PLETF.
- Proceeds from the fund go to 13 beneficiaries, the largest being K-12 education.
- The PLETF had a record-high market value of **\$9.61 billion** in August 2025.

## Arizona Surface Management



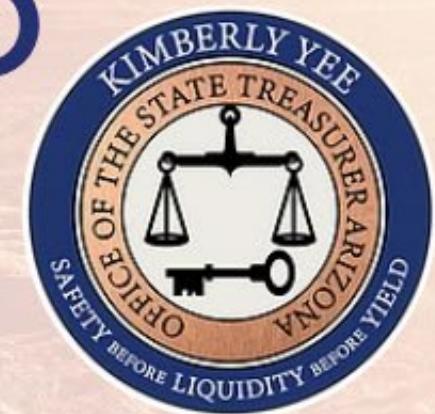
- State Trust Land
- US Bureau of Land Management
- National Park Service
- US Forest Service
- US Fish and Wildlife Service
- Indian Reservations
- Military
- Local or State Parks
- Private
- Other



UNDER THE LEADERSHIP  
OF ARIZONA TREASURER  
**KIMBERLY YEE**

**\$447.9 MILLION**

WAS DISTRIBUTED TO  
K-12 EDUCATION IN  
FY 2025





# PLETF vs. US College/University Endowments



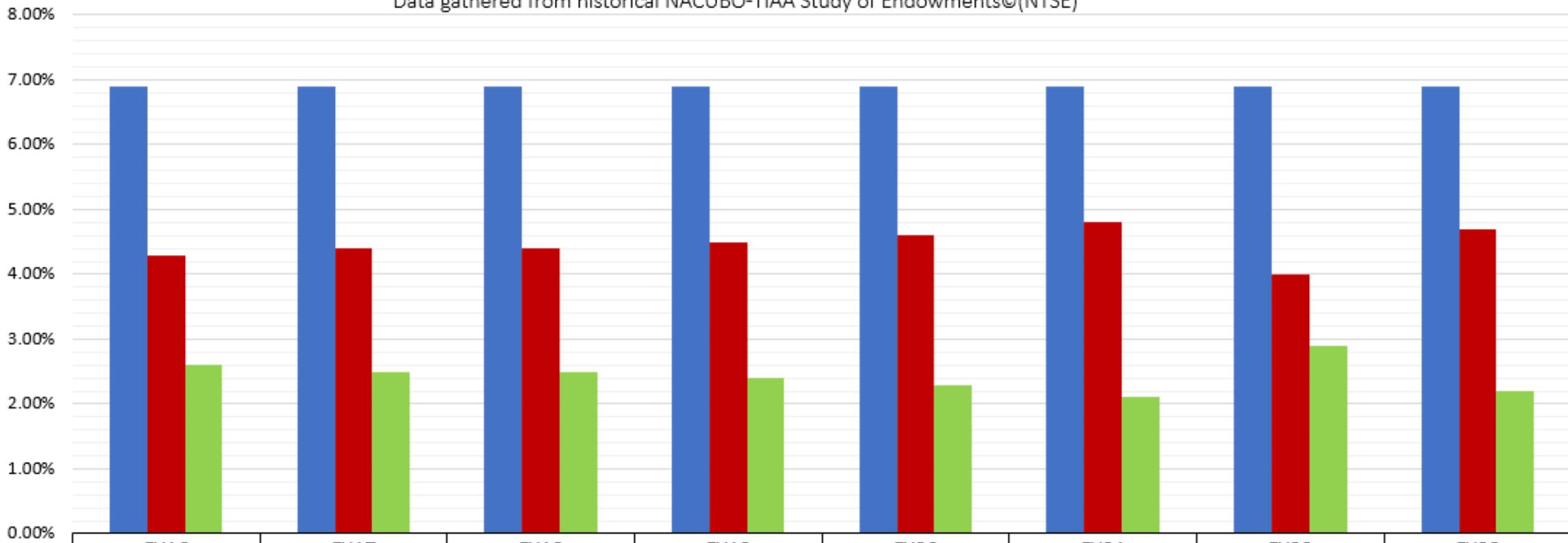
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SURER KIMBERLY YEE

## ANNUAL SPENDING RATE

Data gathered from historical NACUBO-TIAA Study of Endowments©(NTSE)



0.00%	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
■ ASTO PLETF	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%	6.90%
■ US COLLEGE/UNIV	4.30%	4.40%	4.40%	4.50%	4.60%	4.80%	4.00%	4.70%
■ DIFFERENCE	2.60%	2.50%	2.50%	2.40%	2.30%	2.10%	2.90%	2.20%



# State Agency Investments



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- The State Treasurer's Office serves as the state's bank and records the receipt and disbursement of all state money.
- Total earnings in FY25 were \$634.5 Million.



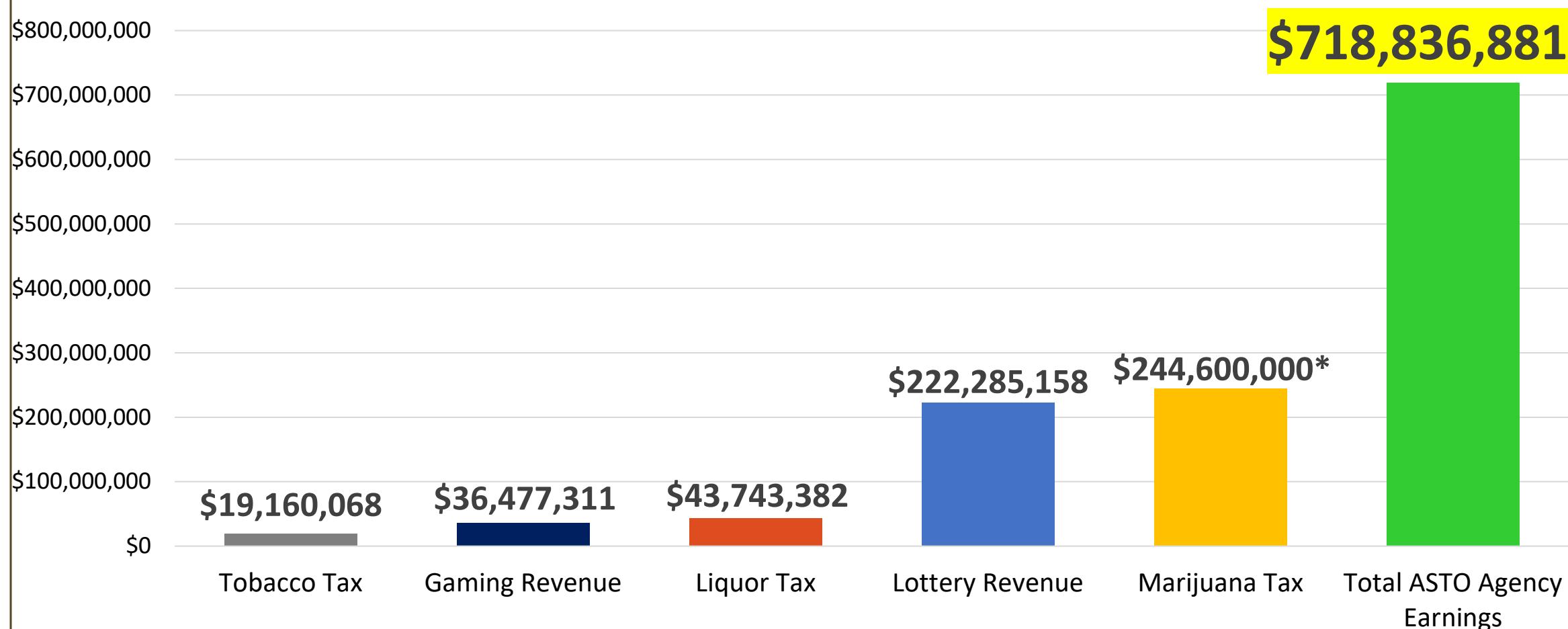


# Total FY24 Revenue by Category



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\*-Rounding from source



# Financial Literacy in Arizona



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# Financial Literacy Task Force



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**The Financial Literacy Task Force has led initiatives to:**

- Require Arizona high schools to teach financial education before graduation.
- Establish the Treasurer's Financial Literacy Fund and require the Treasurer to promote financial literacy to Arizona residents.
- Allow families in the TANF program to use financial education to help meet their work requirements.
- Identify sub-groups to provide financial education resources to.





# AZ529 Education Savings Plan

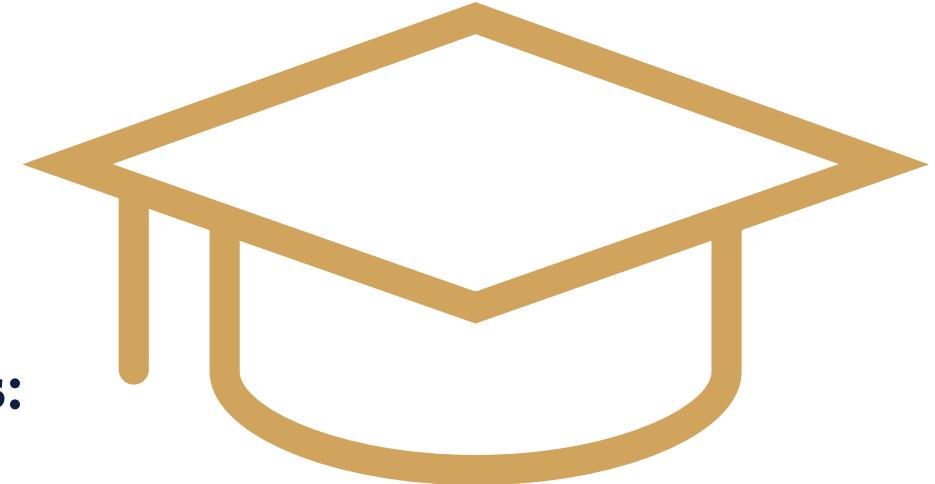


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## Savings can be used for:

- Colleges & Universities
- Community College
- Vocational and Workforce Training
- Apprenticeships
- Private K-12 Education



## Anyone can contribute and receive the tax benefits:

- Parents
- Grandparents
- Aunts & Uncles
- You can even open an account for yourself!



# AZ529 Education Savings Plan



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- Save with as little as \$15 a month.
- Great tax benefits.
- The State of Arizona also offers a state tax deduction for investing in the AZ529 Plan:
  - up to \$2,000 per beneficiary for individual tax filers; and
  - up to \$4,000 per beneficiary for married tax filers who file a joint return.



**AZ529 account  
funds may be  
transferred to a  
Roth IRA!**



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## WHAT TO KNOW:

- Funds must be in a 529 account for at least 5 years before they are rolled over into a retirement Roth IRA.
- The 529 account must be open for at least 15 years prior to a rollover into a Roth IRA.
- The rollover can only be made to the beneficiary's Roth IRA - not the account owner.
- Rollovers are subject to the annual Roth IRA Contribution limit.
- \$35,000 lifetime cap on transfers for the beneficiary.

# 59,991

NEW ACCOUNTS IN 59 MONTHS



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