

March 20, 2023

Dear Senate President Petersen and Speaker Toma,

As budget negotiations begin, we urge you to work together with Governor Hobbs to make significant progress on filling Arizona's massive yearly deficit in K-12 education funding. Current data shows that Arizona schools face a \$4.5 billion annual deficit compared to the national average. All children need and deserve a well funded, quality education to thrive and succeed, and Arizona's future economy depends on investing wisely in future generations. We must come together now as Republicans and Democrats, parents and grandparents, educators and business leaders to fix this worsening crisis – before it's too late.

According to the most recent data from the US Census Bureau and Education Law Center, Arizona students receive at least \$4,200 less yearly than their national peers, despite recent investments from the state legislature and federal COVID relief dollars. For Arizona's 1.1 million students, this represents a \$4.5 billion yearly gap that severely limits their academic opportunities and directly fuels the state's exploding educator retention crisis.

Arizona's legislature has largely backfilled 2008 recessionary cuts, but Arizona's K-12 funding ranked 48th in the US in 2008 and we remain 47th nationwide today.

We must reimagine what a fully-funded education looks like so that our schools can innovate, offer individualized learning, adequately protect students, and teach 21st-century skills that children need to thrive after graduation. Schools have diverse needs, but here are some examples of how a fully funded education system will invest in our students:

- Raise educator & staff salaries. Arizona's teacher and staff pay is \$1.2 billion less than the national average. To recruit, retain, and re-engage high-quality educators, schools must be able to offer competitive pay.
- Reduce class sizes. Arizona's classrooms are the second most crowded in the nation, preventing students from receiving individual attention and leading to burnout among educators with higher class sizes. Experts estimate it will cost \$1 billion to adequately reduce AZ class sizes.
- Provide counselors, social workers, and safety programs. Arizona's counselor-to-student ratio remains the second highest in the country; our schools must invest in the mental health supports students desperately need, particularly post-pandemic.
- Fix school facilities and transportation. Significant investments are needed to build modern bus fleets, address rural transportation needs, and fix aging school buildings across the state. According to a current lawsuit, districts need close to \$6 billion in school facilities repairs alone.
- Fund special education. In 2017, there was a \$100 million gap between public schools' special education funding needs and how much they actually received. This ever-widening gap means schools must sweep funding from other budgets, or children with special needs go without necessary services.
- Invest in extracurriculars, arts, sports, and programs. Budget cuts have forced schools to strip out many programs that help grow a robustly educated future generation.
- Fund full-day kindergarten. Arizona only funds half-day kindergarten, meaning that districts and charters must sweep money from elsewhere in their school budgets to offer full-day programs. It will cost \$350 million per year to fully fund kindergarten students.

At present, Arizona gives away far more than we take in. For 2023, the state budget hovers at around \$16.5 billion – but our tax giveaways total almost \$24.5 billion. It is shortsighted for the legislature to consider any bill that would cut taxes or slash future revenues by billions of dollars. Should these proposals pass, it would make efforts to compete nationally in education funding or performance nearly impossible.

Dramatic positive changes are possible; our neighbors in New Mexico are a prime example. The New Mexico legislature has made significant investments in K-12 education, advancing from 39th in per-student spending to 28th nationwide in just a few short years. New Mexico also passed major teacher raises in 2022 to mitigate their educator retention crisis.

Serious solutions are required to address this severe funding crisis. Much of Governor Hobbs' proposed budget is devoted to moving Arizona's K-12 education system in the right direction, and we support the investments her office has laid out. We can transform Arizona into a state that prioritizes our most important citizens – our children. We can build an environment in which the next generation will not only survive, but thrive.

We call upon legislative leadership to work in a bipartisan fashion with Governor Hobbs to develop a robust four-year plan to intentionally and strategically put Arizona on track to meet the national public education funding average. Arizona students deserve nothing less.



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