

AZ Schools Face \$1.2 Billion in Cuts This School Year

Arizona public schools are facing a catastrophe: the prospect of being legally unable to spend **\$1.2 billion** in funds already being collected. Unless the Legislature acts before March 1, 2022, schools will have to cumulatively cut spending for this school year by over **\$1.2 billion**. That's more than \$1,300 per student — a 17% total cut. This will mean teacher layoffs, program cuts, and potentially even school closures.



SAVE OUR SCHOOLS
Strong Schools, Strong State™

Why such extreme cuts?

- **Antiquated laws.** In 1980, AZ voters added a spending limit for all K-12 schools statewide, which caps what schools are allowed to spend.
- **Antiquated budgets.** The limit, based on spending in 1980, is only slightly adjusted each year for inflation and student population. This forces schools to under-budget for today's technology, staffing, and security needs.
- **District schools only.** The limit does not affect charter schools, because they didn't exist in 1980 — only district schools.

Why \$1.2 billion in cuts?

- **Enrollment fluctuations.** It starts with COVID-19 and the temporary drop in student numbers last year. Even though enrollment is returning to pre-pandemic levels, the limit is based on the previous school year. This accounts for about \$300 million in cuts.
- **Incomplete legislation.** Proposition 301 makes up most of the rest. Voters approved a

How do we stop this from happening?

This is a true emergency that can only be addressed with legislative action.

1. **The AZ Legislature must approve a one-time exemption to the spending limit.** This requires a two-thirds supermajority vote. The Constitution requires cuts on or before March 1, so this exemption must pass early in the 2022 legislative session.
2. **The AZ Legislature must also put a measure on the November 2022 ballot** asking voters to permanently repeal the limit. The reason is simple: Schools shouldn't live in fear each year of losing nearly 1/5 of their budget — and it's impossible to fund 21st century classrooms using a 1980 formula.

0.6-cent sales tax in 2000 to fund education for 20 years, and exempted those funds from the limit. In 2018, lawmakers renewed Prop 301, but failed to include the exemption. This totals over \$632 million in cuts.

What are the impacts?

- **Forced layoffs.** Schools could be unable to pay staff they've already hired, and may have to break contracts before the school year is over.
- **Harms student learning.** COVID has already slowed the learning of all students and widened achievement gaps. The last thing kids need now is to lose their teachers or services.
- **No tax cut.** This money is already being collected and allocated for schools. Cutting it doesn't decrease taxes. It just means that, without legislative action, schools won't be allowed to spend the money.

TAKE ACTION NOW

on the most important education issue of 2022

Arizona schools already rank lowest in the nation for per-pupil funding. We cannot afford additional cuts. Saving our schools from this catastrophe is the most important education issue of 2022.

Our lawmakers must put partisan divisions aside and work together for the sake of our kids so our whole state can thrive. Contact Senate President Karen Fann (602-926-5874 / kfann@azleg.gov) and House Speaker Rusty Bowers (602-926-3128 / rbowers@azleg.gov) today. Ask them to pass a one-year waiver of the constitutional spending limit, then allow voters to repeal it for good.