

World Class Education and Why It Matters

LAUNCH Flagstaff Community Leadership Council
September 13, 2017

CENTER FOR THE
FUTURE OF ARIZONA



The Arizona We Want • The Education We Need

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The Arizona We Want - The Education We Need

VISION 2025:

Arizona
comes
of age



Personal Income Arizona

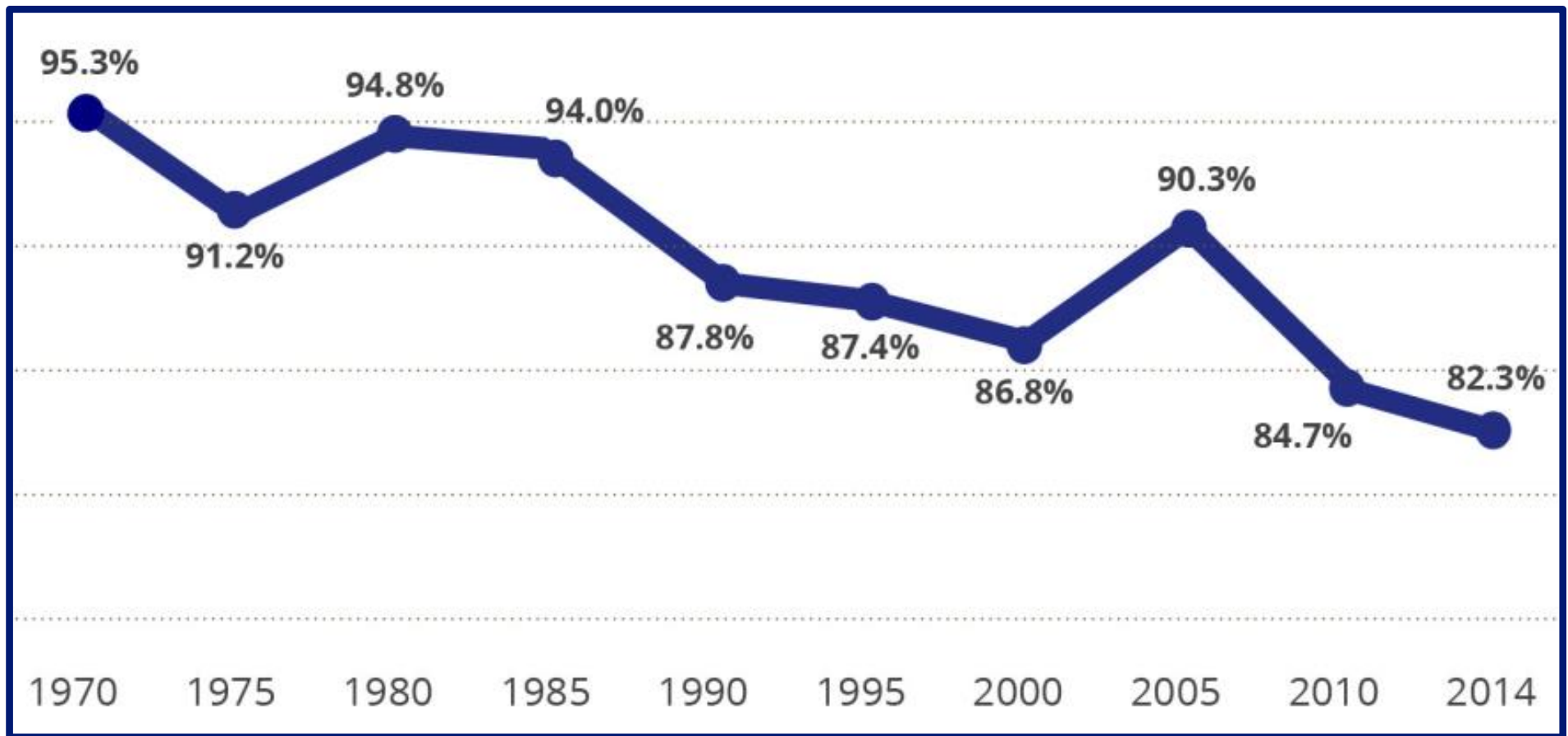
Less than High School	\$19,554
High School Graduate	\$27,120
Some College/AA Degree	\$32,971
Bachelor's Degree	\$46,407
Graduate/Professional Degree	\$60,458

Civic Health

	Voting
Less than High School	27.0%
High School Graduate	43.9%
Some College/AA Degree	62.1%
Bachelor's Degree or Higher	71.7%



Arizona's per capita income has fallen significantly since the 1980's.



Tools for Improving Arizona Education Performance

- AZ Merit Scores
- Education Progress Meter
- Attainment

Statewide 2015 AzMERIT Results

English language arts		
Grade	Percent not proficient	Percent proficient
Third	59%	41%
Eighth	67%	33%
11th	74%	26%

Math		
Grade	Percent not proficient	Percent proficient
Third	58%	42%
Eighth	67%	33%
Algebra I	68%	32%

Arizona Education Progress Meter





ACHIEVE60AZ
EDUCATION ADVANCES EVERYONE

42%

of residents have completed a
2- or 4 year degree, or received
a non-degree credential

U.S. Census Bureau's American Community Survey, 2014 1-year PUMS Person File and the Arizona Board of Regents estimate of the Arizona adult population 25-64 years of age with a certificate but no greater education award, 2016



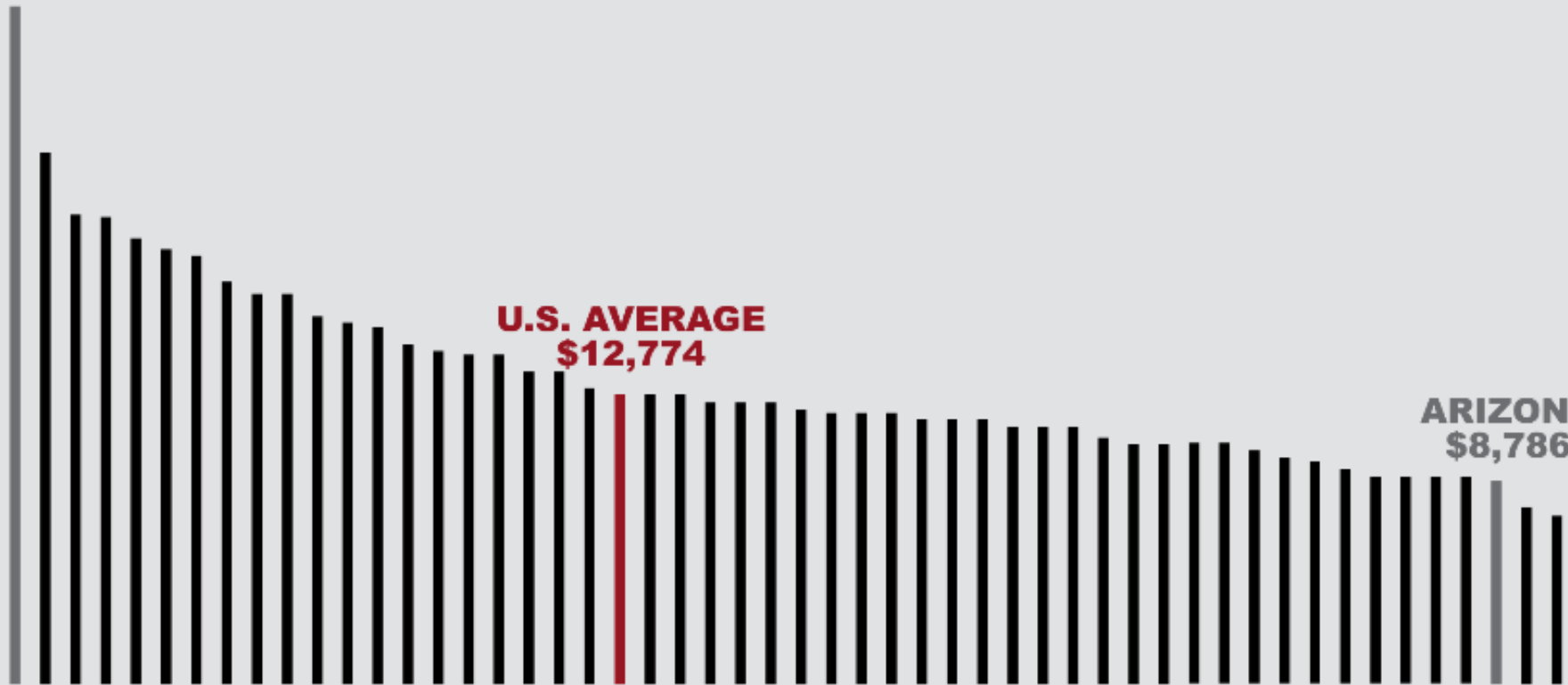
REVENUES PER K-12 STUDENTS - FY 2014

Source: U.S. Census Data, *Public Elementary-Secondary Education Finances*

WASHINGTON
D.C. \$29,866

U.S. AVERAGE
\$12,774

ARIZONA
\$8,786



Arizona's rank in K-12 per pupil expenditures:

1980	25th
1990	26th
1995	45th
2000	49th

Annual Loss of Revenue to the State Budget from Tax Cuts since 1993.*

By 2001	\$1.7 Billion
By 2010	\$2.9 Billion
By 2012	\$3.1 Billion
By 2015	\$4.0 Billion

*Adjusted for the state's population growth, real per capita economic growth and inflation

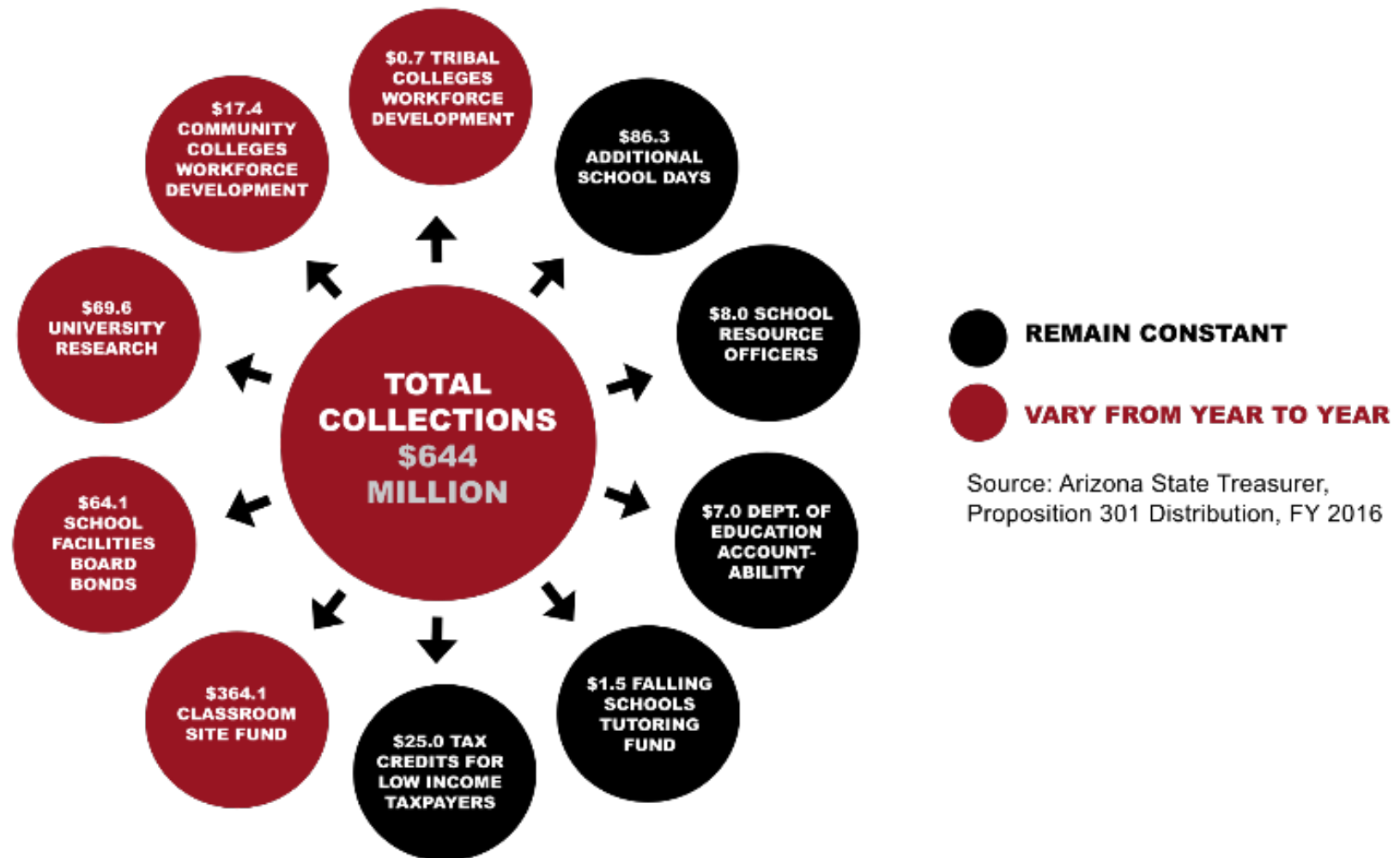
PROPOSITION 123 IMPACT ON K-12 FUNDING (IN MILLIONS)

FISCAL YEAR	LAND TRUST 4.4% INCREMENT	ADDITIONAL INFLATION	ADDITIONAL GENERAL FUND	EST. TOTAL INCREASE K-12
2016	\$172.1	\$74.4	\$52.4	\$298.8
2017	\$172.4	\$75.6	\$58.3	\$306.4
2018	\$189.9	\$76.8	\$47.4	\$314.1
2019	\$206.0	\$78.0	\$38.0	\$322.1
2020	\$217.9	\$79.3	\$33.1	\$330.3
2021	\$226.5	\$80.5	\$56.8	\$363.8
2022	\$233.3	\$81.8	\$57.4	\$372.5
2023	\$239.7	\$83.1	\$58.6	\$381.5
2024	\$245.8	\$84.5	\$60.5	\$390.8
2025	\$251.5	\$85.8	\$63.0	\$400.3
TOTAL	\$2,155.2	\$799.9	\$525.5	\$3,480.5

Source: Joint Legislative Budget Committee *Proposition 123 Yearly Estimates (12/3/15)*
<http://www.azleg.gov/jlbc/16mayprop123yrylest.pdf>



PROPOSITION 301 TAX ALLOCATION, FY 2016³¹



Source: Arizona State Treasurer,
Proposition 301 Distribution, FY 2016

Individual and Corporate Income Tax Credits

FISCAL YEAR

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

CORPORATE TAX CREDIT LIMIT

\$74.3 MILLION

\$89.2 MILLION

\$107.0 MILLION

\$128.4 MILLION

\$154.1 MILLION

\$184.9 MILLION

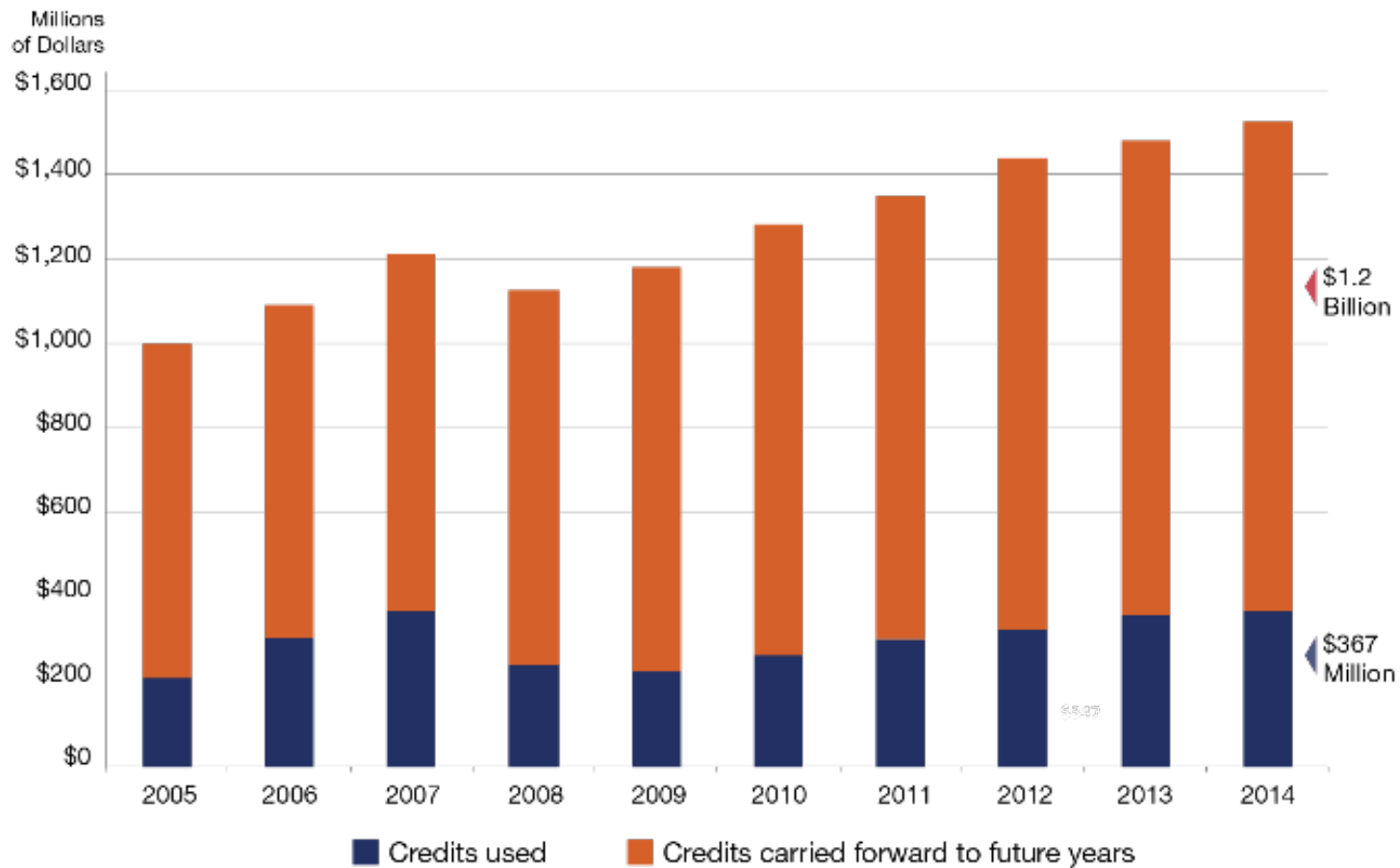
\$221.9 MILLION

\$266.2 MILLION

\$319.5 MILLION

\$383.4 MILLION

Arizona Taxpayers Have Built Up Over \$1 Billion in Tax Credits That Carry Forward to Future Years Combined Individual and Corporate Income Taxes



Source: Arizona Department of Revenue, *Tax Credit Report*, October 2015.

Empowerment Scholarship Accounts (Vouchers)

27%

of Arizona's registered voters participated in the 2014 Primary, the lowest turnout in over 50 years

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