



Governmental Relations

FY2021 Executive Budget Summary

Governor Ducey's FY2021 budget proposal spends \$12.3B and projects \$12.49B in revenue. In total, the governor's budget deposits \$25M additional in the budget stabilization fund (AKA the "rainy day fund") and spends \$776M above the enacted FY20 budget.

Below are highlights of the governor's spending proposal that impact K-12 education.

Supplemental Appropriations

- \$35M to the school facilities board to fund additional FY20 building renewal grant applications.

Formula Adjustments

- \$145M in formula enrollment growth and inflation
- \$175M for the final installment of the "20x2020" teacher pay plan
- \$135.5M to completely restore remaining District Additional Assistance (DAA) suspensions in FY2021

Non-Formula Programs

- \$38M in school safety program funding
 - Would fund all "first choice" counselor, social worker, and SRO positions that were not funded by awards in December 2019.
- \$35M to move results-based funding to be based on letter grades instead of AzMERIT scores.
- \$44M in school improvement funding ("project rocket")
 - \$150/student for C schools with greater than 60% free and reduced-price lunch population, plus all D and F schools.
 - Three-year pilot program
 - Money would be used to implement "proven turnaround strategies"
- \$2M for the College Credit by Examination Incentive Program
 - Would prevent projected awards from being prorated due to excess demand.
- \$1.2M to fund college placement exam fees for students on free and reduce price lunch
- \$1M in ongoing gifted program funding
- \$500K for the alternative teacher development program (Teach for America)
- \$400K for the Jobs for Arizona Graduates (JAG) program
- \$960K for ESA/voucher administration at ADE

- \$430K for five additional certification investigators at ADE

School Facilities Board

- \$28M increase in available building renewal grant funds (\$107.5M total)
- \$6.37M to increase per-square foot amounts for new-school construction
- \$18.1M for new school construction conceptual approvals:
 - Chandler Unified School District
 - Tanque Verde Unified School District
- \$1.5M for site conditions

Rural Broadband

- \$58.9M for “smart highway corridor” broadband infrastructure
 - The full width of I-40
 - I-19 between Tucson and Nogales
 - I-17 between Sunset Point and Flagstaff
- \$10M for rural broadband grants (increase of \$7M over FY2020)

Previously Enacted Appropriations

- \$25M in state aid supplemental funding (Prop. 123)
- \$5M for CTED completion grants
- \$400K for the Teacher Professional Development Pilot Program
- \$393K for 5 FTE at the State Board for Charter Schools