



**Children's
Action Alliance**



THE ARIZONA CENTER
— FOR ECONOMIC PROGRESS —

Wins for Kids!

- \$10M for Healthy Families;
- Kinship foster care – increase monthly stipend from \$75 to \$300 (\$19.8M annual appropriation);
- Remove barriers to licensure for kinship care providers (prerequisite to drawing down additional federal funds);
- Increase monthly subsidy for youth transitioning from foster care from \$715 to \$1,200 (\$2.6M annual appropriation);
- Aligns state law with federal law to allow former foster youth to stay enrolled in Medicaid until age 26;
- Extend AHCCCS postpartum medical coverage from 60 days to one year.

The FY23 State Budget



This year: a MASSIVE surplus

Ongoing surplus:

\$1.6 billion

One-time surplus:

\$3.7 billion


Positive New Investments

- \$784 million for K-12 public education (\$681M ongoing and \$103M one-time investments);
- \$82.4 million (one-time) for housing and homelessness;
- \$1 billion for water initiatives;
- \$57.2 million for developmental disabilities providers (ongoing);
- \$25 million for behavioral health residential facilities (one-time);
- \$425 million Rainy Day Fund

But...

- \$500 million for border enforcement (one-time);
- No new investments for child care;
- No additional investments in cash assistance for low-income families;
- No new investments for state postsecondary financial aid.

Education budget includes

- Increasing special education weight: \$100 Million
 - 7.9% Base Level increase; eliminate teacher compensation and keep index: \$329 Million
 - School Safety Resource Officers and Counselors: \$50 Million
 - Decreasing the K-12 Rollover by \$65 Million
 - Opportunity weight: \$100 Million by FY 2024
 - English Language Learner Weight: \$42 Million by FY 2024
 - Expanding results-based funding
 - Elimination of state equalization tax rate
 - Continuing education and workforce development
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More special interest tax cuts

- More than \$500M in tax cuts this session;
- Tax cuts enacted the last two years will reduce future state revenues by more than \$2.5 billion annually;
- 90 percent of tax cuts enacted the past two years will benefit the wealthiest 5 percent of Arizonans or large corporations.

Wealthy Family - \$1 Million Annual Household Income



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\$ 19,928 Average Annual income tax cut



Wealthy Family - \$1 Million Annual Household Income

**\$ 7,000 Taxpayer Funder Private School
Voucher**



Wealthy Family - \$1 Million Annual Household Income

No sales tax for private jet purchases



Wealthy Family - \$1 Million Annual Household Income



No sales tax for fine art purchases

Family with \$67K Annual Household Income

- **\$47 average annual income tax cut;**
- **Arizona has 3rd largest affordable housing shortage in the nation – no ongoing state funding to assist;**
- **No new state investments to make child care more affordable;**
- **State universities and community colleges had largest tuition increases in the nation;**
- **State funding for K-12 public education 3rd lowest in the nation**

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