



May 22, 2025

Office of Governor Katie Hobbs
1700 W Washington St
Phoenix, AZ 85007

Arizona State Legislature
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Phoenix, AZ 85007

Dear Governor Hobbs and Members of the Arizona State Legislature:

On behalf of the Arizona Education Association, which represents nearly 23,000 educators across Arizona, I am writing to share critical priorities for public schools and educators in the State Budget for Fiscal Year 2026.

In 2024, Arizona ranked 49th in the nation for per-pupil education spending. Arizona educators work hard to support student achievement with limited state resources, but we are already paying hundreds of dollars [out-of-pocket each year](#) to supply our classrooms while making salaries that are among the [lowest in the nation](#). In light of [looming cuts](#) to the federal education funding that makes up nearly [20% of all dollars](#) supporting Arizona public schools and additional cuts to [Medicaid programs](#) that support Arizona schools, any reduction in state education funding will have catastrophic long-term consequences for Arizona's ability to maintain an educated population that attracts employers and sustains economic growth.

To support Arizona public schools, we strongly urge you to consider:

- **Waiving the Aggregate Expenditure Limit (AEL) for the 2025-2026 School Year.**
The AEL is an outdated metric that imposes harmful limitations on the use of local revenues to support public schools. It should be repealed or seriously reformed.
- **Reversing the K-5 Literacy Endorsement Mandate.** Arizona's unfunded K-5 Literacy Endorsement mandate has created significant financial and administrative burdens for educators and contributes to challenges with educator retention. AEA urges lawmakers to suspend the mandate and focus on supporting educators, who already have extensive literacy skills and training acquired through their certifications and years of experience in the classroom.
- **Maintaining Critical Funding Levels for Public Schools, including:**
 - **\$342.1 million for the School Facilities Division, with:**
 - \$183.3 million for Building Renewal Grants
 - \$158.8 million for new and one-time new construction projects
 - **\$285.6 million in ongoing funding to Basic State Aid from the General Fund** to ensure that the expiration of Proposition 123 will not lead to a reduction in state support for Arizona public schools.

- The Base Level amount of **\$173.2 million, the statutory requirement for the inflation adjustment.** This amount is necessary for school districts to account for the impact of rising prices on student services, including transportation.
- **\$37 million to Poverty Group B weight** and **\$29 million to District Additional Assistance** to fund day-to-day public school operations and provide much-needed funding to support Arizona's most vulnerable students and rural communities.
- **\$3.8 million for school meal grants to support appropriate nutrition for Arizona children.**

In addition, AEA suggests a revision back to the prior-year Average Daily Membership calculations to ensure that public schools can financially support the mid-year enrollment of students who withdraw or are forced out of charter or private schools.

The Arizona Budget is a statement of our values, and it should reflect our state's commitment to ensuring a high-quality education for every child. If you have further questions about AEA's budget priorities, please contact Isela Blanc on our staff at Isela.Blanc@arizonaaea.org.



Marisol Garcia
President
Arizona Education Association