



## Arizona Pest Professional Organization Legislative Update May 8, 2017

Dear Supporter:

### **Day 120 -**

We finally have a budget! Late last week the legislature finally passed a \$9.82 billion spending plan for FY2018. The budget includes a \$171 million carryover from FY2017 and \$9.68 billion in revenue. The budget includes a 4.3% revenue growth and 1.9% in additional spending from FY2017.

The legislature was able to pass the budget after lawmakers reached consensus on the Governor's proposal to provide the state's three universities more bonding authority. After hours of debate that lasted until 4:00 am on Friday, the legislature passed the budget and included a \$27 million appropriation to allow the universities to bond for infrastructure projects. The Governor's original proposal would have allowed the universities to keep sales taxes they generate to bond for the projects. However, the potential harm to cities due to the loss of revenue made support from moderate GOP members unlikely.

The legislature also approved the Governor's proposal to provide almost \$38 million per year to create a performance-based funding program to provide \$400 per student high-performing schools in low-income areas and \$250 per student to high-performing schools in higher-income areas.

The legislature also approved the Governor's signature \$34 million teacher raise and restored \$30 million in Highway user revenue funds (HURF) to counties that had their monies swept in during the Great Recession.

### **Major General Fund Changes for FY2018:**

- \$34 M ongoing - ADE - 1.06 Teacher Salary Supplement (2.12% & 68 M in '19)
- \$37 M ongoing - ADE - Results-based funding
- \$8 M ongoing - ADE - Early Literacy

- \$33 M ongoing & \$10 M one-time - AHCCCS/DES - Prop. 206 long term care
- \$11 M ongoing - Corrections/DPS - Employer Retirement Adjustment
- \$8 M one-time - Counties - DJC Offset
- \$30 M one-time - Counties - Restore local HURF - HELP fund
- \$62.9 M one-time - SFB - New construction - 6 new schools
- \$17.2 M one-time - SFB - Building renewal grants
- \$15 M one-time - Universities - Restore loss of one money Universities Capital Infrastructure (\$27 M in FY2019)
- \$25 M one-time - State Employee Health Insurance
- (\$30 M) ongoing - AHCCCS Prescription drug rebate shift

Let me know if you have any questions.

Have a great week.

Regards,

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