



TALKING POINTS

Presenters:

David Lujan

Interim President & CEO Children's Action Alliance



THE ARIZONA CENTER
—FOR ECONOMIC PROGRESS—

- Arizona needs to create a fairer tax code that does not just favor the wealthy and politically well-connected.
- If we want to build better economic opportunities for ALL Arizonans, we need to make critical investments in key areas such as education, affordable housing, health care, infrastructure and other safety net supports that have been shown to build thriving communities and create pathways out of poverty.
- The pandemic has had devastating economic impacts.
- More than half of Arizona households with children have had at least one member lose employment income.
- Arizona Households with lower incomes were most effected. 1 in 2 households earning less than \$50K/year lost income since March 13, 2020.
- Other ones
- The Legislature has enacted tax cuts every year, except one, since 1991 shrinking available general fund revenue to respond to the basic needs of Arizonans. They even made tax cuts during the Great Recession when they were also making drastic cuts to our budget - slashing spending for education, infrastructure and safety net supports for vulnerable families! Much of this spending has never been restored since.
- As a result, Arizona Budget is \$1.3 BILLION smaller than it should be.
- Think of all these lost opportunities to invest in Arizona's future.

Callie Kozlak

**Associate Superintendent for Policy & Government Relations,
AZ Dept of Education**

- Arizona is ranked 50th in the United States for teacher pay.
- Proposition 208 is being challenged yet again. Teacher pay increases from Prop 208 will likely not be seen until 2022. Tell your state representatives this is not acceptable.
- AZ received 3.88 billion dollars from 3 recovery packages and yet we will still have low paid teachers.
- Arizona has over a Billion dollars in the "rainy day" emergency fund. If today is not a rainy day, then what is?
- The governor is the final decider on our state budget.
- Contact him: azgovernor.gov, 602-542-5381, tag him on twitter@dougducey.
- The Governor pays attention to education stakeholders: Superintendents, School Boards
- Make sure our congressional representatives know how Arizona is using federal dollars.
- Tell your legislators and governor that you want education funds to go to education.
- Arizona law stipulates a 5% reduction for on-line schooling, leaving districts with a \$260 million shortfall.

Fred Yamashita Executive Director Arizona AFL-CIO

Laura Dent Executive Director Chispa AZ · League of Conservation Voters

Arizona Civic Engagement Program Manager Domestic Workers Alliance

Over 2.5 million Domestic workers are the nannies that take care of our children, the house cleaners that bring order to our home, and the care workers that ensure that our loved ones can live with dignity and independently. Domestic workers are majority women, mostly immigrant and women of color.

Founded in 2007, NDWA, National Domestic Workers Alliance works for respect, recognition, and inclusion in labor protections. Domestic workers in all 50 states can join NDWA and gain access to member benefits, connection with other workers, and opportunities to get involved in the domestic worker movement.

Domestic workers rights include:

- Overtime pay
- Paid Sick Days
- Safety and Health
- Meal and Health Breaks
- Protections for live-in workers
- Privacy

Executive Director Arizona Public Health Association

1. Governor Ducey and DHS Director Christ diverted \$400,000,000 of the Cares Act money to backfill State Agencies that had already been funded prior to the Pandemic. These funds were intended as a safety net for those most impacted by Covid with job loss, serious illness, death of family members & loss of housing. This is a misuse of Emergency funds.
2. The American Rescue Act will deliver \$12 Billion to our state. We ALL must carefully track how the governor and agency directors intend to spend this money. He has wide discretion and as we know tends to want to line the pockets of his supporters.
3. We [Arizona residents] can make positive changes by participating or creating voter initiatives and by becoming active voices in our legislative districts, precincts, and neighborhoods alerting fellow workers, friends, and families to both the potential needs in our communities and the positions that the Governor and Legislators have taken.

Below are the pots of money we need to watch:

The American Rescue Plan Act is landmark legislation that will provide significant resources with which to address the social determinants of health and to reinforce the public health workforce.

Of course, the mere fact that there are additional resources being provided doesn't mean that we will see improvements in the field. That will only happen if our elected and appointed officials that will control these funds use them in evidence-based ways that have a high return on investment. Whether that will happen in Arizona remains to be seen.

There still aren't clear dollar figures for Arizona, but the Joint Legislative Budget Committee made some estimates this week based on the finding formula. They estimate that state government will receive about \$12B (more than the entire state general fund for a single year), with an additional \$2.6B to local governments, and \$1.2B in business aid.

State Government:

The \$12.3B that state government will receive will arrive between now and December 31, 2024, so much of the funding will be available to the next governor (the Ducey Administration will be gone in January 2023).

The \$12.3B (spread out over 4 years) can be used "... to respond to COVID-19 or its negative economic impacts, premium pay to essential workers (up to a maximum of \$25,000 per worker), lost revenues, and broadband infrastructure." That sounds pretty open-ended and it will be very important for stakeholders from all sectors to keep a close eye on how the Governor and his agency heads use these funds.

Importantly, the funds can't be used to directly or indirectly cut taxes..

Local Government:

Local governments will get about \$2.6B over the 4-year period. I can't find much on what that can be used for. Local government in AZ also qualifies for an additional \$187M for capital projects to carry out "...critical capital projects directly enabling work, education and health monitoring, including remote options, in response to the public health emergency."

There's also \$40M "Tribal Consistency Fund" available to AZ tribes (until September 30, 2023)

Public Health & Healthcare:

There are a ton of additional resources that will be coming to public health and healthcare in addition to the state and local fund distributions.

ADHS

The ADHS will be getting about \$1.7B (which is several times higher than their annual state budget). Most of that must go toward COVID-19 testing, contact tracing, and mitigation (\$960M) and buying vaccine including administration fees (\$150M).

However, a very sizeable chunk of money (\$153M) will be for "... state/local public health departments for recruiting, hiring, and training of public health workers". Thankfully, those funds never expire which means that they could be spread out over a several year period (for example over a 10-year period) which could really help our long-term public health workforce infrastructure.

Because it will be spread out over many years, not all the decisions will be made by the Ducey Administration, and we will also have an opportunity to influence a future administration on evidence-based uses for these funds (the Ducey Administration will be leaving in 21 months - January 2023).

For example, we could modify the state loan repayment program to include public health professions including community health workers and significantly boost overall funding to that program. There are many other opportunities for using these funds that we will be exploring at our August 26 Conference.

AHCCCS

There are significant investments that will help AHCCCS to provide additional evidence-based services as well. Here are some of those line items:

- Grants for Teaching Health Centers that operate Graduate Medical Education: \$7M (thru 9/2023)
- Community Mental Health Services Block Grant: (\$30M) (thru 9/2325).
- Substance Abuse Prevention Treatment Block Grant: (\$30M).

AHCCCS will also be able to extend eligibility to women for 12 months postpartum for the next 5 years, will have enhanced federal match at 85% for mobile crisis intervention services; and will have no cap placed on drug rebates.

Education (\$3.2B) – ADE; ADES; Universities, Community Colleges, & the Arizona Commerce Authority.

Other safety net resources that will come through the Act over the next few years include:

- Federal Pandemic Unemployment Compensation (additional \$300/week): 100% federal funding through September 6, 2021.
- Many tax provisions designed to assist working low-income persons.
- Human Services (\$979M) – for ADES, ADE, Department of Child Safety, Department of Veterans' Services programs.
- Arizona Department of Housing (\$787M) for various programs