

**EDUCATE • DISCOVER • IMPACT**

Contact : Sarah Harper, 602-229-2542, 602-402-1341 Sarah.K.Harper@azregents.edu
Julie Newberg, 602-2292534, 602-686-1803, Julie.Newberg@azregents.edu

Statement from ABOR President Eileen Klein in Reaction to Gov. Ducey's State of the State Address

(Phoenix, Ariz.) – “I sincerely appreciate Gov. Ducey’s enthusiasm for our outstanding universities as he shared in his second State of the State Address today as well as his intention to be a partner in strengthening Arizona higher education.

Gov. Ducey’s recognition of Arizona’s public universities is critical. Arizona’s public universities are key drivers of our state’s economic health and leading providers of quality higher education, aligning with the governor’s commitment to provide “opportunity for all.”

As he works to chart the path for a stronger economy and robust job growth in our state, reinvesting in our public universities and reforming the university funding model is essential. Today, Arizona ranks dead last in the United States in terms of per capita support of higher education. In terms of state higher education funding per student, Arizona ranks 50th when factoring in the FY2016 state budget. Many of the states with whom Arizona competes for jobs are seriously outpacing Arizona in per capita support as they have increased their funding of higher education over the past five years. In contrast, Arizona’s funding has declined during the Great Recession.

The good news is that our state is now positioned to reinvest in its students. Arizona's economy is improving with 2016 on track to be the best year yet in our state's continued recovery, according to forecast reports by university economists. Recent data includes gains in jobs, wages, consumer spending and building permits for single-family homes.

Last year, state revenue growth far exceeded projections. This year continues that trend. Legislative budgets originally forecast the FY 2016 general fund ending balance at zero dollars. Their most recent forecasts now put that balance at \$555 million, with at least \$218 million of that as ongoing revenue. Further, in November alone, Arizona's general fund revenues were up \$84 million over the enacted budget, suggesting the budget picture may even be brighter.

Understanding the state has many fiscal commitments to consider, all indicators point toward the state being able to afford to incorporate our funding model in the FY 2017 budget.

We don’t want Arizona left behind. Gov. Ducey reminded us today of the many reasons we are all proud to be Arizonans and how far our state has come since the Great Recession. He hinted last week that he intends to “turn the trend line” on university funding. We welcome the opportunity to partner with the governor and our lawmakers to ensure Arizona’s students and families have accessible and affordable higher education.

An ongoing, permanent commitment to public higher education in our state requires our state's elected leaders to prioritize access to higher education for all Arizona residents.

I look forward to working with Gov. Ducey and our Legislature, on behalf of Arizona's students and families, to forge the path together toward greater sustainability for the future of our public universities.

We can turn the trend line. We must.

###