



# Arizona State Legislature

1700 West Washington

Phoenix, Arizona 85007

April 24, 2018

Governor Ducey,

Since the recent release of your teacher pay plan it has become clear that it is not sustainable and in fact only provides a 9 percent teacher pay increase in the coming year. A sustainable solution must include dedicated sources of revenue designed to deliver and protect a 20 percent pay increase.

We are writing to respectfully request that you bring together leaders of both caucuses in the House and Senate along with education stakeholders to find a sustainable long-term revenue source to restore the \$1 billion that has been cut from our public school system over the past decade and pay for the 20-percent pay increase that our educators have earned. There are viable options beyond what's currently being discussed.

Gambling on economic growth and taking money from other priorities can only get us part way toward our goal, and even then, it certainly won't keep us there when our economy inevitably cycles down.

While we need new, sustainable revenue, one option we should resist is further increasing the state sales tax rate. Arizona already has one of the highest average combined (state, county and municipal) sales tax rates in the country at 8.33 percent. Towns in many of our rural areas already pay more than 10 percent. Another increase would unfairly put the burden on the poor and working class, who pay an inordinately larger share of their income on sales tax.

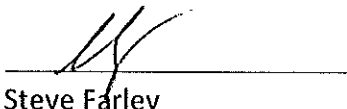
There are other, more fair options to provide the increased revenue we need to do right by our public schools right now. We should consider broadening the sales tax base for certain services, reversing decades of unproductive revenue-draining income tax cuts for the wealthiest Arizonans, closing tax loopholes and – at a minimum – capping tax credits that divert state revenues away from neighborhood public schools and into private schools. These and other options – including federal tax conformity – are available and would more fairly and equitably restore the cuts to education and bring our educator pay to parity with our neighboring states. Let's have that conversation. Our kids, our communities and people all around the country are watching. The crisis in Arizona's schools is serious, and requires a serious-minded solution that puts all options on the table.

Sincerely,

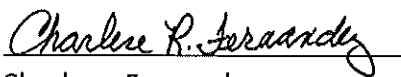
Rebecca Rios  
House Democratic Leader  
Representative LD 27

Katie Hobbs  
Senate Democratic Leader  
Senator LD 24

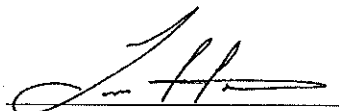
Randall Friese, MD  
House Asst. Democratic Leader  
Representative LD 9



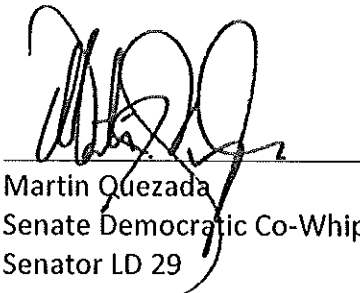
Steve Farley  
Senate Asst. Democratic Leader  
Senator LD 9



Charlene Fernandez  
House Democratic Whip  
Representative LD 4



Lupe Contreras  
Senate Democratic Co-Whip  
Senator LD 19



Martin Quezada  
Senate Democratic Co-Whip  
Senator LD 29

Cc:  
Steve Yarbrough, Senate President  
J.D. Mesnard, Speaker of the House