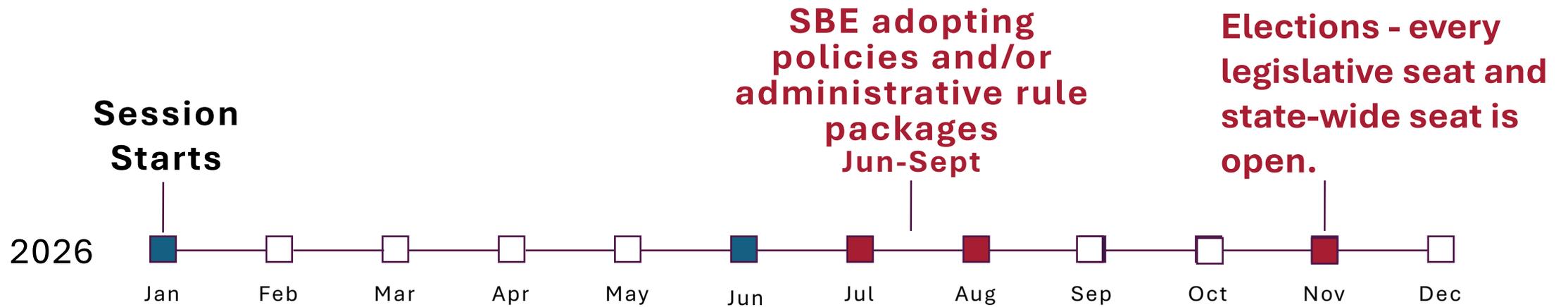


UA PPB: 2026 Session Preview



Rebecca Beebe, Arizona School Administrators



**Need budget by
June 30th at 11:59
PM. Fiscal year
2027 starts July
1.**

LEGISLATIVE PROCESS AND IMPLEMENTATION TIMELINE

What can we expect next session?

Focus on the Majority priorities.

What can we expect next session?

- Hyper-partisan, political attacks on educators, superintendents, and schools.
- Discussion on superintendent contracts and salaries.
- School buildings – vacant space and the spin that districts can supposedly better manage their space and finances.
- School finance - supposed financial mismanagement, and bills related to financial receivership.
- Discussion and bills on low standardized test scores, low proficiency rates, and discussion on literacy.
- Deregulation of schools, charter, district, etc. Title 15 Cleanup bill.
- Sandbox – flexibilities
- HS graduation “flexibility” – 4th year of math.

What can we expect next session?

- A-F letter grade system and statewide accountability.
- “Why do we have so many A schools when our test scores are low?”
- 2026 Literacy Plan – K-5 Reading Endorsement, Literacy Coaches, and 3rd grade retention. (More later)
- School board member reform.
- Culture wars!
- A tough budget season; the state doesn’t have much money.

Budget Outlook

- Three-year budget outlook estimates an ending cash balance of \$67 million.
- Impacts of the One Big Beautiful Bill Act on Arizona's budget over the next three years are substantial.
- Tax changes in OBBBA: The state can choose how to conform; state chooses many federal tax provisions we incorporate in to state law.
- Republicans will push for full conformity, which costs \$438M in FY 26, \$336M in FY 27, and \$372M in FY28.
- State cost of administering the SNAP program goes to 75% from 50%.
- State share of SNAP benefits increases from 0% to 10% because AZ has a higher error rate than allowed in OBBBA.
- Medicaid has work requirements for the first time ever. OBBBA requires semiannual eligibility checks, instead of annual. \$50 M cost to AHCCCS.

Budget Outlook K-12 One-Time Spending

- \$67M is insufficient to continue one-time funding from FY26 to FY27.
- Several of these one-time funded items are K12 items, including:
- Poverty/FRPL Group B Weight and Additional Assistance \$66M (more later).
- School Facility Repairs \$183M – Every year, the state appropriates one-time funding to the Building Renewal Grant (BRG) program.
 - There is an ongoing \$17 million appropriation.
 - For the last several years the state has been appropriating \$183M one-time each budget year.
- Common Sense Institute is claiming that vouchers will need a \$35M supplemental for FY26.

ASA Priorities – School Facility Funding

- A judge ruled in favor of the plaintiffs (ASBA, ASA, AEA, school districts, and a tax-payer) in the School Facilities Lawsuit that was originally filed in 2017. The case went to trial. The judge ruled in favor of the plaintiffs (us) and the Speaker and the President have publicly said they will appeal the decision.
- **Key Point:** The judge found that the system Arizona uses to maintain and fund schools violates the constitution, which requires a General and Uniform education system for every kid in Arizona.
- Arizona needs a system where school buildings are properly inspected and maintained. Adequate funding needs to be provided for all schools to maintain a minimum standard across the state.

ASA Priorities – School Facility Funding

- HOWEVER, the Building Renewal Grant (BRG) requires that schools fail and fall below minimum standards before they can even apply for maintenance funds, i.e. a district doesn't qualify for a new roof or a new HVAC until their roof leaks or their HVAC quits working.
- This system guarantees failure.

ASA Priority: School Funding

- Appropriate \$37M to poverty funding (FRPL Group B weight) in FY 27. (continues as ongoing in FY28) (This is M&O funding, not to be confused with Reduced Price Lunch Copay Funding.)
- Appropriate \$23M to District Additional Assistance (DAA) in FY 27.
- Index District Additional Assistance to inflation.
- Fund Building Renewal Grant needs so all schools meet the Minimum Adequacy Guidelines.
- Fund New School Construction projects approved by the School Facilities Oversight Board.
- Adequately fund Group B weights in the funding formula.
- Restore funding for all day Kindergarten.

Narrative about academic outcomes

- Low test scores.
- A focus on low third grade reading rates; low literacy rates.
- “Why are we graduating kids who can’t read?”
- Bills to strengthen the third-grade retention piece of Move on When Reading.
- Districts are spending too much on instructional support services that they should instead be spending on teachers; potential legislation on this.
 - This is the first time we’ve heard instructional support called out like this. It matches the federal anti-P.D. rhetoric.

**Speaking of academic
outcomes...**

Arizona Literacy Plan 2030

Arizona Literacy Plan

- Spearheaded by Read On Arizona, Helios, and Excel in Ed.
- Based on the “Mississippi Miracle”.
- Highlights:
 - **K-5 Literacy Endorsement** – In 2021 a bill passed that requires all K-5 teachers who teach literacy to obtain a literacy endorsement. Must complete a qualifying course and pass the exam (Pearson). Deadline is summer 2028. Currently 11% of teachers have obtained the endorsement.
 - AEA wants to repeal or reform.
 - ASA Advocacy and Legislative Committee decided not to support repealing; instead want to raise awareness and support additional resources.
 - **P-3 Early Literacy Coaching** – Arizona currently has 36 literacy coaches working in the lowest performing schools.
- We support an \$2.1M for 14 additional literacy coaches to bring the state total to 50.



Scale to Succeed Strategies

Arizona Impact Tracker

Sustain K-5 Literacy Endorsement so all EPP candidates and certified K-5 teachers are trained by 2028.



CURRENT STATUS: 2,217 | **TARGET GOAL: 24,483**

Build on the success of P-3 early literacy coaching to scale literacy coaches where most needed.

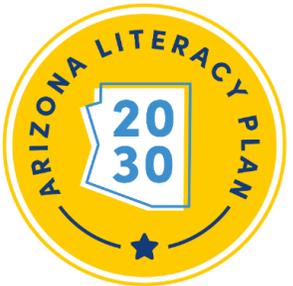


CURRENT STATUS: 34 COACHES | **TARGET GOAL: 125 COACHES**

Ensure all schools serving K-3 are using high-quality instructional materials by 2027.



CURRENT STATUS: 71-75% | **TARGET GOAL: 100%**



KEY GOALS IN NEXT 5 YEARS

Literacy Plan 2030 launch

2025



By 2026

Targeted scaling of literacy coaches to **50 foundational literacy coaches**.

100% of schools use high-quality instructional materials as required by Move on When Reading.

By 2027



By 2028

All K-5 certified educators trained in the science of reading (K-5 Early Literacy Endorsement).

Identify additional investments in preschool to reach progress meter goal

By 2029



By 2030

Reduce chronic absence to pre-pandemic levels.

Next Session: Accountability and Transparency

- Bills related to the USFR and the compliance questionnaire.
- Potentially trying to put more districts into receivership.
- Bills banning real-estate transactions between districts.
- School board reform – bills related to approval of travel, where meetings are held, qualifications, communications, mandated finance and other training before candidate can run, etc.
- Bills to repeal the School Letter Grades, coupled with a potentially productive conversation on accountability.
- Bills to force the sale of district buildings to charter or microschools, etc.
- Dead Cash – false narrative about district sitting on big balances, some legislators want to sweep dead cash for balancing the state budget.

General Talking Points

- Public schools and superintendents embrace accountability.
- District schools serve all students in Arizona.
- We serve families of all income levels, all political parties, and all education levels.
- We serve kids in foster care, in kinship care, in group homes, in hospitals, in two parent families, in no-parent families, etc. We work with every kid.
- We accept all students regardless of race, income, language, religion, sexual orientation of them or their family, ability/disability.
- We are academically accountable for every student we serve.
- It is not fair for the state to deregulate charter schools and other education choices while overburdening district schools.
- With charters it's called regulation but with districts it's called accountability. Why?



Questions?

Rbeebe@azsa.org