



Stand for Children Arizona Endorses Governor Hobbs' FY 25 Education-Centric Budget

PHOENIX, AZ — Stand for Children Arizona announces its full support for Governor Katie Hobbs' FY 25 budget proposal, commending her commitment to support students and families, particularly through her early childhood and education budgets. In addition, the Governor plans to deal with a short-term budget deficit by recovering non-essential funds.

Key highlights of the budget include:

- **Savings through ESA Voucher reform:** The Governor's proposal to limit ESA voucher recipients to only those who previously attended public schools will save the state almost \$250 million in FY 25. This, in addition other proposed reforms to curb excessive luxury spending at taxpayer expense and increase accountability, is aligned with voter sentiment.
 - [Recent polling shows that voters agree.](#) A full 60% of Arizona voters do not support the ESA voucher program as it currently stands.
- **Free meals for low-income students:** One of the most successful elements of COVID relief was ensuring that every child who needed food had it. Governor Hobbs will make it permanent for students who meet poverty requirements. We think the \$4.5 million price tag is well worth it.
- **Infrastructure investments:** Maintaining school facilities is a constant battle for schools already strapped for cash. The Governor's budget includes \$183.3 million for one-time building renewals. Added to current funds, this means \$200 million for total building renewal, as well as \$148 million for new school construction.
- **Early Childhood Investments:** The budget requests \$100 million for families to afford quality childcare. The looming expiration of federal relief funds – another successful Covid relief program – has concerned both families and employers who rely on these childcare subsidies to ensure safe, affordable childcare. This funding would eliminate current waitlists, allow Arizona to access \$91 million in federal funds, and address the immanent childcare crisis.
- **Savings through STO tax credit repeal:** This program allows wealthy families to “double dip” in tax credits that cover their private school tuition. Though not included in current reductions, the Governor proposes to fix that loophole in the future, saving taxpayers \$185 million in FY 26, with further savings of \$231 million for FY 27.

As the Governor mentioned in her State of the State address earlier this week, all school funding conversations continue to carry the cloud of the Aggregate Expenditure Limit (AEL) over them. This must be addressed through the budget process to ensure that schools stay open, and kids continue learning. This archaic limit caps how much schools can spend on students, regardless of state appropriations. In addition to another one-year fix, legislators also need to refer to the ballot a longer-term reform – [also supported by 62% of voters.](#) This [video explains more.](#)

“The Executive Budget proposal honors the Governor’s commitment to Arizona’s students and families, while addressing the looming budget shortfall. We are optimistic that the legislature will skip the partisan games and work with the Governor to fund critical needs and address loopholes and excesses

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that benefit the wealthiest Arizonans,” said Executive Director Rebeca Gau. “However, if the legislature chooses to play partisan games, voters will have the opportunity to make changes this fall.”

For more information, please visit www.stand.org/arizona/.

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About Stand for Children Arizona:

Stand for Children Arizona is a non-profit organization dedicated to ensuring that all children, regardless of background, graduate from high school prepared for and with access to a college education. For more information, please visit www.stand.org/arizona/.