

A RESOLUTION OF THE LEAGUE OF ARIZONA CITIES AND TOWNS
REGARDING UNIVERSITY FUNDING IN THE 2017 STATE BUDGET

Whereas, the protection of the shared revenue system is one of the core principles of the League of Arizona Cities and Towns; and

Whereas, cities and towns have historically worked positively with, and have been outspoken supporters of, our state system of higher education institutions; and

Whereas, cities and towns that have higher education institutions located in them have cooperated to provide excellent public safety services, expanded utility and transportation systems, land for facility expansion as well as cooperative financing agreements; and

Whereas, city and town budgets were sharply reduced by the economic recession and, in most cases, are still at pre-recession levels; and

Whereas, city and town budgets are required to be balanced and audited every year, and cities and towns operate on some of the leanest margins of any level of government; and

Whereas, in the past ten years, multiple programs such as LTAF, 911, Heritage Fund, SLIF, HURF and others, have been cut, swept or eliminated and more state programs are being financed by local government revenues; and

Whereas, a proposal in the Executive Budget brought forward by the Arizona Board of Regents would divert state Transaction Privilege Tax paid by higher education institutions including the portion that is distributed by formula to local governments; and

Whereas, the revenue sharing system regarding state TPT has been in place for more than 70 years; and

Whereas, cities and towns believe in the mission of the higher education system in providing an excellent education to Arizona students and preparing a skilled workforce that helps strengthen the state and local economy;

Now, therefore, be it resolved, that the Executive Committee of the League of Arizona Cities and Towns stands in opposition to the proposal to provide additional funding to the higher education system in Arizona at the expense of city and town revenue that is already budgeted to provide basic, daily services to all of our residents statewide.

Adopted by vote of the League Executive Committee February 10, 2017