



**Career and Technical Education:
Economic Development 101**

A skilled workforce is critical to Arizona's economic health. With this in mind, the Arizona State Legislature passed a law in 1990 allowing two or more school districts to form a Joint Technical Education District (JTED) to improve Career and Technical Education (CTE) offerings and to serve all students in a more cost-efficient manner. Arizona's 14th JTED district was overwhelmingly approved by voters in Yuma last year.

Middle-skill jobs pay well and provide the infrastructure for critical economic sectors, such as manufacturing, energy, aerospace, and construction. The Bureau of Labor Statistics reports that these jobs will remain in high demand as more than 70 million middle-skill workers are projected to retire over the next decade.

Businesses in Arizona and those looking to relocate to our state must have a steady supply of skilled workers to expand. Healthcare providers project the shortage of nurses, medical assistants, and certified technicians to continue for at least another decade. Arizonans will benefit from creating more taxpayers, and reducing the amount of people who depend on state assistance.

Arizona Cuts CTE Programs 54%

According to the JLBC, \$29 million will be cut from JTED CTE programs in 2016-2017. School districts will be penalized \$344 for each student enrolled in a CTE program, rural JTEDs will also have a loss of \$86 per student, and urban JTEDs will lose \$134 per student. Here is the history of JTED funding cuts:

<u>Year</u>	<u>State Aid</u>
2011	\$92,437,170
2015	\$69,429,373
2017	\$43,076,776 (projected)

Funding Myths Debunked

- JTEDs can not increase their tax rate. They are capped by statute at 5 cents per \$100 secondary assessed valuation.
- JTED students are not double funded. Voters approved an additional 0.25 ADM funding for JTED students because CTE programs require more expensive equipment and facilities to deliver industry-relevant curriculum.
- Because of complex school finance formulas, the cuts made for the 2016-2017 amount to 50% of funding, not 7.5%.

**CTE Works for Students, Businesses
and Arizona's Economy**

As documented in the Harvard University report *Pathways to Prosperity* and the report, *On the Rise: The Role of Career and Technical Education in Arizona's Future*, prepared by the Morrison Institute at Arizona State University, students enrolled in a two-year CTE/JTED program are more likely to graduate high school, perform better on standardized tests, and successfully transition from high school to a career or college. They also start earning higher salaries than their peers at a faster rate.

CTE/JTED	VS.	AZ Average
96%	2013 Graduation Rate	76%
89%	2013 Pass Aims Math	70%
96%	2013 Pass Aims Reading	75%

**If Arizona's 2012 Graduation Rate
had been 90% instead of 72%**

- \$164 million in increased annual earnings
- \$128 million in increased annual spending
- \$324 million in increased home sales
- \$17 million in increased auto sales
- 1,500 new jobs
- \$225 million in increased annual gross state product
- \$11 million in increased annual state/local tax revenue

Source: Alliance for Excellent Education

Let's Put Arizona to Work - Restore JTED Funding

According to data from the National Center for Education Statistics, the majority of CTE students in high school continue on to postsecondary education, and those who join the workforce to supplement their incomes as they pursue further education are often in a better financial situation than high school graduates who did not pursue CTE.

Our Legislators and Governor must restore the cuts to JTED funding immediately to avoid decimating these programs.

"Our state is starving for a qualified workforce and cutting career education will make it a skeleton."
Doug Pruitt, Chairman Sundt Construction