

April 25, 2025

Honorable Senators and Representatives Arizona State Capitol 1700 W. Washington Phoenix, Arizona 85007

#### Dear Senators and Representatives:

The East Valley Chambers of Commerce Alliance (EVCCA) is the largest chamber of commerce organization in Arizona with nearly 5,000 members representing eight chambers in the East Valley including Apache Junction, Carefree/Cave Creek, Chandler, Gilbert, Mesa, Queen Creek, Scottsdale, and Tempe. Our budget suggestions, however, have no geographic boundaries. Our membership includes large multi-national corporations and local small businesses. The EVCCA is a true representation of the Arizona business community.

The EVCCA recognizes that resources are finite and the challenging job you have of budgeting for seemingly endless needs. We also recognize the impact a federal budget may have on important items in a budget you may adopt. The EVCCA applauds the legislature and Governor for working to structurally balance the state budget. Like the private sector one-time money should be used on one-time expenditures and not ongoing programs. Therefore, we offer the following recommendations to provide guidance as you consider budgetary options:

## **Transportation Funding**

One of the fundamental tasks of government is to provide an efficient and effective transportation system. The efficient movement of people to and from the jobsite and ontime delivery of goods is the lifeblood of our economy. Expansion of the I-10 from Casa Grande to Phoenix is a notable priority. Accelerated development of the Southeast Valley I-10 north/south reliever and completion of the SR 24 is also critical. Transportation investment will also help draw down our own federal tax dollars for needed projects.

# **Proposition 123**

In 2015, Arizona voters approved Proposition 123 to increase school funding from 2016 through 2025. The proposition increased State Trust Land permanent fund distributions

from 2.5 percent to 6.9 percent. As part of the budget, this funding source needs to continue.

### **Workforce Development**

Arizona businesses are facing a shortage of qualified workers. Investments today in early education, P-12, Career and Technical Education (CTED), community colleges, Arizona's universities and the New Economy Initiative will train the workforce of tomorrow. In addition, Arizona's workforce will no doubt need retraining and job skill adjustments in a post-pandemic economy. CTED and community college programs must be adjusted to meet these future workforce needs.

### **Aggregate Expenditure Limit**

Thanks to your work early this session, schools avoided budget challenges this fiscal year. As you pass the FY 2026 budget, please include an adjustment in the aggregate expenditure limit to allow our schools to budget appropriately.

#### **Higher Education**

The EVCCA supports Arizona State University's New Economy Initiative funding request to create the workforce of tomorrow in advanced manufacturing and materials, advanced communication technologies, cybersecurity, artificial intelligence, automation and robotics, digital media, virtual and augmented reality, big data and more.

## Housing

Workforce housing is a concern of East Valley businesses. The EVCCA supports fiscal appropriations and policies that encourage attainable workforce housing while respecting local control and private property rights.

#### Water

The State of Arizona should fund litigation efforts to defend, protect, and enforce Arizona's proper allocation of Colorado River water.

The East Valley Chambers of Commerce Alliance greatly appreciates your service to our great State. If you have questions regarding our recommendations or would like to discuss them in more detail, please contact our legislative advocates, Tom Dorn and Eric Emmert, at 602-606-4667.

Sincerely,

Tom Binge Chair

East Valley Chambers of Commerce Alliance