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CONGRESSMAN'S REPORT

by

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**Arizona's Public Schools -- II**

**Tax Equalization or Federal Aid?**

In a recent report I cited some national statistics which show the wide difference in the ability of various States to pay the costs of public education. Because Arizona's population is relatively overloaded with children, and because our per capita income is relatively modest, I concluded that Arizonans are making the third heaviest "effort" among the 50 States.

Let us now take a statistical look at disparities in resources and effort among different Arizona school districts. We will always have public schools; they will continue to cost a lot of money. In 1960 our Arizona public elementary and high schools spent \$119,494,000 provided by a combination of federal, State and local taxes as follows:

Local School Districts	\$62, 019, 000	51.9%
State of Arizona	\$45,875,000	38.4%
Federal Aid	\$11,600,000	9.7%

These percentages do not apply equally to all districts. Some receive more than half their funds from federal aid; a few receive almost nothing. Many districts are forced to raise more than two-thirds of their funds by local property taxes. As noted below some districts have low tax rates imposing little hardship; others have limited resources and a crushing school tax burden.

The number and location of school districts are determined in each county by the Board of Supervisors. The pattern is spotty: a few districts cover large areas and several communities; but Phoenix, for example, has twelve different elementary districts, each with its own board and tax base.

An interesting and illustrative case in point is the separate school districts at Clifton and Morenci. These communities are 5 miles apart; both are in Greenlee County; the economy of each depends largely on the mining activities of Phelps Dodge Copper Corporation. However, the P-D mine and plant assets are largely in the Morenci School District, with these results:

	Students	Assessed Valuation	Assessed Valuation Per Student	Elementary District Tax Rate
Morenci	1553	\$77,271,000	\$49,756	\$0.26
Clifton	659	\$ 1,400,000	\$ 2,158	\$4.99

Thus, in Clifton the owner of a house assessed at \$2,500 would pay \$124.75 in elementary school taxes for the year while the owner of a similar house in Morenci would pay only \$6.50.

Not all the counties have variations as extreme as this, but there is wide disparity in every county. The attached table gives a few selected samples.

### Equalization -- Can Something Be Done?

Few people defend inequities of this kind, and many ask, "Why can't all the wealth of a county (or of the State) be taxed wherever it is found in order to educate all the children wherever they happen to be?" School administrators and other interested people are keenly aware of this problem but they are divided between two solutions:

- \*\* County-wide school districts, and/or
- \*\* An increase in the percentage of school costs borne by the State.

### County-Wide Districts

While this solution has obvious advantages (and is permitted under present law) its achievement is blocked by objections from (a) Those districts which would have to share their wealth with less fortunate communities and (b) The desire of each community to have its own school board. (Would the people of Superior and Casa Grande, for example, be satisfied with a three-man Pinal County School Board whose members happened to be elected from San Manuel, Florence and Coolidge?)

### Increasing State Aid

An increase in State aid would decrease many local school tax rates, and would tend to spread the burden more generally across the resources of the State.

### Consequences of Failure to Act

The failure of a State to resolve its local problems is always a strong weapon in the hands of those who urge more federal aid of any kind. Dr. Delbert Secrist, the respected and forthright president of the Tucson School Board (and a strong opponent of federal aid) recently charged that big industry is indirectly helping the case for federal aid by opposing greater state-level aid to hard-pressed school boards. He declared: "The state should be paying 50 to 65 per cent of the total cost instead of the 25 or 40 per cent it is now giving .... The Legislature is going to have to help more or the federal government is going to jam its education programs down our throats."

Dr. Secrist speaks with wisdom, if my mailbag is a proper index: most of those favoring increased federal aid are people who have despaired of any State action to equalize the school tax burden.

Vague and generalized attacks on federal "bureaucracy" are no answer to the persistent demands for more federal aid. The answer lies in an honest and timely effort to put our own house in order.

Selected Comparisons - - Arizona Elementary School Districts

Elementary School District	Total Assessed Valuation	No. of Students Average Daily Attendance	Amount of Assessed Valuation Per Student	Elementary School District Tax Rate*
<u>Cochise County</u>				
Bisbee #2	\$18,525,794	1,918	\$ 9,658	\$ 2.60
Buena #68	3,847,464	946	3,463	4.55
San Simon #18	3,930,664	102	38,535	1.25
<u>Greenlee County</u>				
Clifton #3	1,422,060	659	2,158	4.99
Morenci #18	77,271,553	1,553	49,756	.26
<u>Maricopa County</u>				
Laveen #59	1,483,886	480	3,089	7.03
Riverside #2	10,554,579	322	32,778	1.88
<u>Pima County</u>				
Ajo #15	31,229,383	1,095	28,519	.63
Amphitheater #10	20,947,809	3,461	6,052	3.27
Sunnyside #12	13,669,453	2,984	4,580	4.65
Tucson #1	165,027,629	28,820	5,726	3.85
<u>Pinal County</u>				
Casa Grande #4	14,977,461	2,426	6,173	2.24
Coolidge #21	8,093,712	1,759	4,601	3.52

Florence #1	4,588,307	642	7,146	2.98
Mammoth #8	34,703,695	1,435	24,183	.54
Red Rock #5	10,361,460	36	287,818	.34
Superior #15	4,718,954	1,073	4,397	2.09
		<u>Santa Cruz</u>		
		<u>County</u>		
Nogales #1	4,714,517	1,761	2,677	1.97
		<u>Yavapai</u>		
		<u>County</u>		
Prescott #1	11,965,484	2,288	5,229	3.72
Seligman #40	8,571,515	112	76,531	.36
		<u>Yuma</u>		
		<u>County</u>		
Crane #13	8,069,928	979	8,243	2.53
Parker #27	2,160,417	809	2,670	2.03
Yuma #1	28,977,689	5,005	5,789	3.45

\* Among other political subdivisions levying property taxes are the State, high school districts, counties and some municipalities.