



News Release

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Arizona Mayors Support Arizona Board of Regents New Economy Initiative

(Phoenix, Ariz.) – Mayors from Flagstaff to Yuma are voicing their support of the [Arizona Board of Regents New Economy Initiative](#) in a [letter](#) sent to legislative leadership. Part of a growing coalition of Arizona leaders, mayors join leaders of [Arizona business organizations](#) in support of the initiative.

Designed to enhance the state’s future economy and workforce, the board’s [New Economy Initiative](#) is a strategic plan to grow Arizona’s next generation of workforce talent and ensure economic opportunity is available to every Arizonan. Through the initiative’s design, Arizona’s economy will be enhanced while highly skilled labor will be retained and attracted to the state.

“We appreciate the support of mayors from across the state who realize the importance of preparing for the New Economy when factors such as automation, artificial intelligence and workforce shortages due to a demographic trough will affect our economy,” said Arizona Board of Regents Chair Larry Penley. “It is critical to prepare for the future that the New Economy will bring now so Arizona can continue to enjoy economic prosperity.”

The mayors’ letter cites Arizona’s stature as “number one in the nation for entrepreneurial activity because of targeted investments in bioscience and health care, aerospace, technology and innovation, and advanced manufacturing. We strongly believe that investing in our universities results in a huge return for our local and state economies.”

Mayors call for support of the work universities are doing to “foster innovation, entrepreneurship and workforce development. ABOR’s budget request focuses on strategically investing in areas where our universities excel to meet the critical workforce needs of the state.”

Leaders from the [alumni associations](#) at Arizona State University, Northern Arizona University and the University of Arizona also recently voiced their support of the initiative in a letter to Governor Doug Ducey.

“As the leaders of the three state public universities’ Alumni Association governing boards and deeply committed to higher education, we urge you to support the Arizona Board of Regents FY 2021 state budget request that has been designed to enhance Arizona’s competitiveness further in the New Economy,” the leaders state in the letter. “The ABOR proposed state funding model addresses the role higher education plays in helping Arizona expand its economy.”

The New Economy is one in which technology will continue to transform work while jobs in mid-level positions such as sales, retail and production will decline and careers in technical, professional, managerial, cybersecurity and design fields will increase. Lower wage jobs like office support, food services and production work are expected to see significant declines.

New Economy job displacement estimates are 22-27 percent of all current jobs in the state, impacting all Arizona counties.

Through the New Economy Initiative, the capability of the state to support research development that leads to New Economy businesses is enhanced as is the capacity of the universities to train more teachers for the state's K-12 classrooms. More students from throughout the state will graduate from college with financial aid support while additional students will be enabled to graduate from college and contribute to Arizona industries requiring workers with advanced skills.

Investing in quality economic development programs such as the New Economy Initiative can yield massive fiscal benefits for Arizona, including:

- A 0.1 percentage point gain in the rate of job growth generates \$1 billion in tax collections and 40,000 net new jobs in just ten years.
- A modest \$1,200 increase in the wages of new jobs generates \$500 million in taxes and 15,000 new jobs in the same timeframe.
- If new business opportunities increase by as little as 10 percent, the 10-year state and local fiscal impact will grow by another \$700 million with 25,000 new jobs created.
- Enhanced national visibility for Arizona and Arizona leaders as leading movers toward the New Economy.

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