STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

September 4, 2009

The Honorable Ken Bennett
Secretary of State
1700 West Washington
Phoenix, Arizona 85007

Re: House Bill 2006 (general appropriations; fiscal year 2009-2010)

Dear Secretary Bennett:

Today I signed House Bill 2006, the Third Special Session fiscal year 2009-2010 General Appropriation Act, while at the same time exercising my line item veto authority with respect to several specific items of appropriation.

Let me begin by thanking you for your continued diligent efforts toward the development of a comprehensive and long-term solution to the state's financial crisis. Despite the enactment of the deepest spending cuts in state history, Arizona continues to experience a fiscal crisis unlike anything our state has ever seen. I sincerely appreciate your efforts to address this challenge, and I believe that the budget package you have approved represents a significant step toward achieving our mutual goal of a fiscally responsible state budget for FY 2010.

As you know, education is one of my top priorities and I believe a strong educational system is essential to our state's economic development. Therefore, I have used my line-item veto authority with the intent to restore education funding, address General Fund cash flow concerns, and ensure the appropriate application of federal stimulus dollars. However, I have no mechanism by which to achieve an education funding level that is adequate and preserves the spending required by ARRA, but that is also reasonable and responsible. As a result, education funding is higher than the state can sustain given current available revenues.

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In addition to my concerns about education spending, I remain troubled by the reductions to the Department of Economic Security (DES) without the prospect of counterbalancing measures. I have consistently maintained that, although I recognize the necessity of and certainly support reductions in government spending, there must be an opportunity to mitigate those reductions for programs that provide critical services to vulnerable populations. Absent this opportunity, I am forced to maintain the budget for DES at its current levels.

I want to reaffirm that I believe reductions in spending on education and DES are necessary. Indeed, I had agreed to cuts in both areas and I remain open to further discussions. However, I have been clear that this agreement was contingent upon the opportunity to buffer some of the decreases. I still believe a referral to the voters of a temporary sales tax increase to mitigate reductions in education and services for our vulnerable populations is critical. When the federal stimulus monies expire, an infusion of additional revenues will be even more essential to preserve adequate funding for services that are vital to our economic prosperity.

Again, I thank you for your hard work and efforts. I look forward to our continuing partnership to provide a long-term fiscal solution to build a better Arizona.

Sincerely,

Janice K. Brewer

Janice K. Brewer
Governor

cc: The Honorable Kirk Adams, Speaker, Arizona House of Representatives
The Honorable Robert Burns, President, Arizona State Senate
The Honorable Russell Pearce, Arizona State Senate
The Honorable John Kavanagh, Arizona House of Representatives