



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

April 2, 2012

The Honorable Andy Tobin
Speaker of the House
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Re: House Bill 2647 (county stadium districts; Rio Nuevo)

Dear Speaker Tobin,

Today, I vetoed House Bill 2647 (county stadium districts; Rio Nuevo). This bill would have increased the general fund tax revenues being diverted to the Rio Nuevo Multipurpose Facilities District above what is allowed under current law. Regardless of the potential benefits of this legislation, it is unwise to enact legislation that has a fiscal impact or changes tax policy until we have reached an agreement on projected revenues and appropriated expenditures as part of a state budget for Fiscal Year (FY) 2013.

I fought hard to provide Arizona voters the opportunity to vote on Proposition 100. Arizona voters overwhelmingly voted in favor of Proposition 100 in order to maintain funding for education, health and human services, and public safety. As you know, a budget agreement has not been reached due, in part, to differences in funding key areas of state government encompassed by Proposition 100. My FY 2013 budget is designed to protect these vital areas of state government and to fulfill the Proposition 100 mandate given by Arizona voters. I cannot sign into law House Bill 2647, or any other measure with a fiscal impact, while other critically important funding issues relating to Arizona schools, the state's most vulnerable populations, and public safety remain unresolved in the state budget.

Arizona taxpayers do not want a budget that fails to provide sufficient monies to Arizona schools and students. As you know, the Legislature joined me last year in passing Move on When Reading, which ends the social promotion of children who are unable to read by third grade. Beginning next year, schools across Arizona will be required to develop comprehensive reading assessments and offer extra help to children falling behind. Now is the time to fund this program. This is not our only critical need when it comes to education. During the recent budget crisis, state support to repair and maintain schools and purchase new books, library materials, and other "soft capital" items dropped to nearly nothing. For example, some schools

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need new roofs, while other schools need new air conditioners. Some schools need both. Other schools have overdue plumbing or electrical problems. We must address these maintenance needs before one of our schools experiences a failure that endangers students. Likewise, our children cannot succeed without the books and other basic materials they need in order to learn. We can and must address these issues, along with resources to drive the performance of our state universities, this year.

Arizona taxpayers do not want a budget that unnecessarily places the state's most vulnerable at risk. I advocated for Proposition 100 to minimize the impact of the state's budget situation on the most vulnerable of Arizona's citizens. It is well-known that I convened a Child Safety Task Force last summer in order to revamp Child Protective Services, and many of the reforms from that effort have already been implemented or will be shortly. Child welfare in this state faces another threat, however, due to a looming reduction in federal assistance. If these federal child welfare monies are not backfilled with state dollars, as proposed in my budget, then the state will have to reduce or outright eliminate state programs that serve the most vulnerable among us. This would impact programs such as emergency shelter for families threatened by domestic violence, child care assistance, food banks, and other basic safety net functions. I am only proposing to spend what is necessary to keep these vitally important safety net programs in place – which was, in part, the design of Proposition 100.

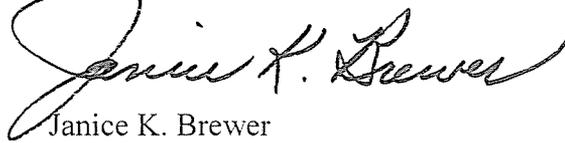
Arizona taxpayers do not want a budget that shortchanges public safety. The brave correctional officers in our prisons put their lives on the line performing a dangerous but essential duty for the people of Arizona. It is an unfortunate fact that the state now has fewer authorized Correctional Officer II staff than it did in FY 2005 – but with approximately 6,000 more inmates to supervise. Insufficient staffing places officers at risk, and we have already seen assaults against prison staff increase 14 percent in just two years. We must operate our prison system as safely and securely as possible and it is imperative that we begin addressing this situation. I ask the Legislature to join with me and support funding an additional 103 correctional officers, which is an initial deposit on the 306 additional correctional officers the state ultimately needs.

No Governor in Arizona history has cut more than me when it comes to state spending (down nearly 15 percent from its peak in 2007), or the state workforce (down 6,000 employees) and payroll (down \$300 million in salary). I am also well aware of the concerns regarding FY 2015, when Prop 100 will expire and the costly provisions of ObamaCare may be in full effect. I recognize that it is important that we set aside some surplus revenues in order to prepare for these and other uncertainties, and my budget does that. However, it is also imperative that we spend – conservatively, strategically, and with an eye on improving Arizona's competitive position nationally and globally. And, we must also be true to the wishes of Arizona voters who – two years ago next month – agreed by a nearly 2-to-1 margin to raise their own taxes. These voters did so in order to conservatively and strategically fund education, health and human services, and public safety – not so that the revenues could be squirreled away until a date uncertain for programs undisclosed.

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I hope the information above is helpful as budget talks continue. We still have time to reach an agreement that is true to our conservative principles, respects the will of voters and continues the Arizona Comeback.

Sincerely,

A handwritten signature in black ink that reads "Janice K. Brewer". The signature is written in a cursive, flowing style.

Janice K. Brewer
Governor

cc: The Honorable Steve Pierce
The Honorable Ted Vogt