



STATE OF ARIZONA

JANICE K. BREWER  
GOVERNOR

EXECUTIVE OFFICE

April 11, 2014

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

Re: House Bill 2703 (2014-2015; general appropriations)

Dear Speaker Tobin,

Today I signed House Bill 2703, the General Appropriations Act for 2014-2015, while also exercising my line-item veto authority with respect to several specific appropriations.

Overall, the budget is principled and fiscally prudent and will continue to advance Arizona's economic recovery and further foster Arizona's business friendly environment. The budget also is a significant step in the right direction for the children in our state. It funds important policy initiatives that will put more students on the path to educational success and protects Arizona's most vulnerable children.

More on child safety, however, remains to be done. On January 13, 2014, I signed an Executive Order that established a cabinet-level child safety and family services division and called for a permanent, separate agency – autonomous from the Department of Economic Security. Accordingly, I directed my staff to work with stakeholders and the Legislature in the development of legislation to do just that. That group has been working diligently for the past several months and their work continues. I look forward to partnering with the Legislature to enact that significant and historic reform in the near future.

The success of the new agency will not only require a strong administrative and operational structure, but also sufficient resources. It is imperative that we appropriate wisely and marshal available funds to accomplish this mission. I remain committed to ensuring this happens.

Specifically, I have line-item vetoed the following items of appropriation for the reasons outlined below:

A. Attorney General – Department of Law – Northern Arizona Law Enforcement

There is no specific detail provided in this bill that explains the intent of this line item or direction on how the appropriation shall be utilized.

Section 11, page 8, line 25

B. ADE – Alternative Teacher Development

There are various alternative teacher development programs currently existing in Arizona. Consequently, this appropriation would be better directed towards funding child safety reforms and programs that will protect Arizona's most vulnerable children.

Section 27, page 23, lines 32-42

C. ADE – JTED Soft Capital and Equipment

This bill appropriates \$1,000,000 from the state general fund exacerbating disparities between urban and rural JTEDs.

Section 27, Page 24, lines 20-25

D. LAN – Northern Arizona Landing Strip

It is unclear what state purpose is advanced by this appropriation. Additionally, small landing strips create liability exposure and expenses for the state, and this appropriation is likely insufficient to cover those ongoing expenses.

Section 53, page 38, line 16

E. Other – Ombudsman

This bill appropriates \$828,500 from the state general fund to the Ombudsman-citizens aide office, which is an increase of \$200,000 from last fiscal year. While the additional \$200,000 increase for FY 2015 is intended to fund caseload growth as a result of the new child safety and family services agency, it is premature to appropriate additional resources when the case load impact has not yet been determined and overall resources for the new agency are still being analyzed.

I have tasked the child safety work group to design a new agency that emphasizes transparency and accountability. In the upcoming special session on child safety, we can revisit the scope of funding for the Ombudsman-citizens aide office.

Section 54, page 39, line 7

F. ADOA – Small Scale Computing Study

ADOA-ASET has already been directed and is engaging state agencies to collect a detailed inventory of hardware and software assets. The effort to track remaining or outlying systems that have not already been identified would be very time consuming and resource intensive, with little additional information likely to be produced beyond what has already been obtained.

Section 119, page 63, lines 3-14

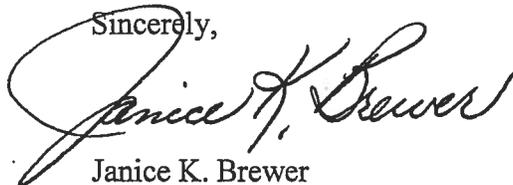
G. ADOA – TPT Electricity Exemption County Backfill

The bill appropriates \$1,300,000 from the state general fund to the counties to “backfill revenue loss” resulting from the enactment of Senate Bill 1413 – a bill that improves Arizona’s economic competitiveness statewide. The financial benefit of this unnecessary appropriation would be minimal as the likely distribution of funds represents a small fraction of a percent of each affected county budget. More importantly, this appropriation would have set a policy precedent that would undermine future efforts to improve the competitiveness of Arizona’s tax code.

Section 122, pages 63, lines 34-44

I know we are all committed to preserving Arizona’s economic recovery, as well as our shared pursuit to effectively reform Arizona’s child safety agency, including its culture and mission. I look forward to our continued collaboration toward these shared goals.

Sincerely,



Janice K. Brewer  
Governor

cc: The Honorable Andy Biggs  
The Honorable John Kavanagh  
The Honorable Don Shooter