

ARIZONA STATE LEGISLATURE

LEGISLATIVE COUNCIL

**Minutes of the Meeting
December 3, 2015
2:00 p.m., Senate Hearing Room 1**

Members Present:

Senator Andy Biggs, Chair - 2015
Senator Sylvia Allen
Senator Gail Griffin
Senator Katie Hobbs
Senator Steve Smith
Senator Steve Yarbrough

Representative David Gowan, Vice-Chair
Representative Ken Clark
Representative Rick Gray
Representative Albert Hale
Representative Stefanie Mach
Representative David Stevens

Members Absent:

Senator David Bradley

Representative Javan Mesnard

Staff:

Mike Braun, Executive Director, Legislative Council
Ken Behringer, General Counsel, Legislative Council
Nadine Sapien, Chief Editor, Legislative Council

Chairman Biggs called the meeting to order at 2:03 p.m. and attendance was noted.

ADOPTION OF BALLOT ANALYSIS PURSUANT TO ARIZONA REVISED STATUTES SECTION 19-124:

Prop 123 Education Finance; Trust Land Distributions

Mike Braun, Executive Director, Legislative Council, distributed and explained a sample publicity pamphlet (Attachment A). Mr. Braun explained the statutory requirements for information included in publicity pamphlets for ballot propositions and the reasons for the Committee to adopt the Legislative Council analysis. Mr. Braun distributed and explained the "Chairman's Draft of the Analysis by Legislative Council" (Attachment B). He explained the procedures bringing the analysis to the Committee.

Former Congressman John Shadegg, representing himself, explained his opinion that Prop 123 is consistent with the enabling act of the Arizona Constitution and will not require congressional approval. He explained why he does not believe this subject belongs in the publicity pamphlet for Prop 123. Mr. Shadegg answered questions posed by the Committee.

Stacey Morley, Arizona Education Association (AEA), expressed appreciation to everyone that has worked on the agreement which led to Prop 123 and requested the technical correction to the Chairman's Draft (Attachment B) on page 2, line 3, striking \$3,373 and replacing it with \$3,426.74.

David Cantelme, Law Firm of Cantelme & Brown, representing the Treasurer, distributed a copy of "House report 106-140 – Arizona Statehood and Enabling Act Amendments of 1999" (Attachment C) and a copy of the "Public law 106-133 – Dec. 7, 1999" (Attachment D). Mr. Cantelme explained his opinion that Prop 123 requires Congressional approval. He explained why he believes this subject belongs in the publicity pamphlet for Prop 123. Mr. Cantelme answered questions posed by the Committee.

Jeff DeWit, Arizona State Treasurer, distributed and explained a list of possible amendments recommended by his office (Attachment E). Mr. DeWit referenced the Joint Legislative Budget Committee Ballot Proposition 123 Fiscal Impact Summary (Attachment F) and explained his opinion on the wording for the informational pamphlet. Mr. DeWit answered questions posed by the Committee.

Mr. Braun answered questions posed by the Committee.

Michael Liburdi, representing Governor Ducey, stated that he supports the AEA proposed amendment but does not support the amendments proposed by Mr. DeWit. Mr. Liburdi answered questions posed by the Committee.

Timothy Berg, Fennemore Craig, Counsel to Governor Ducey, explained the purpose of the Committee, the Enabling Act and the 1999 amendment. Mr. Berg stated that as he reads the statute, the Chairman's Draft (Attachment B) is all that is needed.

Rep. Gowan moved the adoption of the Chairman's Draft Analysis.

Rep. Gowan moved a verbal amendment to amend line 3 by striking \$3,373 and replacing it with \$3,426.74 on page 2. The motion CARRIED by voice vote.

Rep. Mach moved a verbal amendment that after line 9, after "if the" insert "five year average of a monthly market values of the permanent fund are below the previous five year average of the market values of the fund" then cross out "the 6.9 distribution up until the word fund" page one. The motion FAILED on voice vote.

Senator Hobbs moved a verbal amendment to say "Page one, line 6, strike the word "that", line 7, strike "is estimated to be more than \$2 billion dollars over that"; line 7, after schools insert "over a". It would read "the increased amount would be distributed to school districts and charter schools over a ten year period."

Senator Biggs ruled Senator Hobbs verbal amendment is substantive and would not be allowed.

Rep. Clark called a Point of order that there was no amendment deadline posted and he requested the Committee seek the Rules attorney's opinion on whether he could offer an amendment.

Senator Biggs ruled that request was out of order and stated that Rep. Clark could try to overrule the Chair if he wished.

Rep. Clark moved to overrule the Chair. The motion FAILED on voice vote.

Representative Gowan moved the adoption of the Chairman's Draft Analysis as amended. The motion CARRIED with a roll call vote of 9-3-2 (Attachment 1).

Representatives Gray, Hale, Mach, Clark and Senators Allen and Smith explained their votes.

APPOINTMENT OF EXECUTIVE DIRECTOR

Mike Braun, Executive Director, Legislative Council, explained the term of Executive Director of Legislative Council and that the Committee would need to appoint the Executive Director for the next term.

Representative Gowan moved the appointment of Michael Braun as Executive Director of Arizona Legislative Council. The motion CARRIED by voice vote.

Attached is a list noting the individuals who registered their position on the agenda items (Attachment G).

There being no further business, the meeting was adjourned at 4:08 p.m.

Respectfully submitted,

Shelley Ponce
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azleg.gov>)