



NEWS RELEASE

Arizona Legislature

Representative David Livingston (R-28)

Senator John Kavanagh (R-3)

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FOR IMMEDIATE RELEASE

The Legislature Will Not Raise Taxes or Cut School Choice, as the Governor's Budget Proposes

STATE CAPITOL, PHOENIX – In response to Governor Katie Hobbs' wildly unrealistic partisan budget proposal released today, both Arizona Senate and House Republicans vow to block her efforts to raise taxes and cut school choice.

In 1992, voters overwhelmingly approved an amendment to the Arizona Constitution, which requires a two-thirds vote to increase taxes. The amendment, as passed and enshrined in [Article IX, Section 22](#), states the two-thirds requirement applies to *"a reduction or elimination of a tax deduction, exemption, exclusion, credit or other tax exemption."*

The Governor's budget eliminates ALL tax credits available for donations to School Tuition Organizations (STOs), including those to assist low-income and disabled children through "Lexie's Law." The result would be a tax increase on Arizonans, hurting students and their families. The Governor then wants to use her tax increase to fund new spending.

Additionally, the Governor wants to remove half of the students enrolled in Arizona's Empowerment Scholarship Account (ESA) program that's garnered national recognition for empowering parents to take control of their children's learning environments.

Furthermore, her budget proposal erroneously assumes a \$463 million shortfall in the current fiscal year, while year to date revenues are already nearly \$500 million less than anticipated. At the same time, she wants nearly \$500 million for new initiatives, most of which is ongoing spending masquerading as one-time spending, further worsening the budget shortfall.

"These elements in her proposal are dead on arrival with the Republican Majority," said Senate Appropriations Chairman John Kavanagh. **"Her grandstanding of bipartisanship during her State of the State Address is a far cry from the reality of this budget proposal, as her funding cuts strictly target Republican priorities."**

"Like last year's proposal, the governor's budget is an unserious mess," stated House Appropriations Chairman David Livingston. **"Her revenue and enrollment predictions don't reflect reality, and her solution to the deficit proposes cuts to K-12 and water investments. We understand most of this is meant to appeal to her base. When she is willing to engage more seriously, Republicans are ready."**

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For more information, contact:

Andrew Wilder

Director of Communications | Arizona State House of Representatives Republican Caucus
awilder@azleg.gov

Kim Quintero

Director of Communications | Arizona State Senate Republican Caucus
kquintero@azleg.gov