

ATRA OPPOSES HCR 2026

Background

The Arizona Constitution places expenditure limitations on each county, city, town, and community college district.

Local jurisdictions currently have alternatives to exceeding their expenditure limits:

- 1) a) 2/3's vote of governing board to exceed expenditure limit due to a natural or manmade disaster declared by the governor;
b) 70% vote of governing board to exceed limit due to a natural or manmade disaster *not* declared by the governor;
c) Majority approval of electors to exceed limit by a specific amount and approval must occur prior to the fiscal year in which expenditures are exceeded.
- 2) Permanent adjustment to the base limit with majority approval of electors.
- 3) Cities home rule option-majority approval of voters to adopt an alternative expenditure limit for the four succeeding years after election.

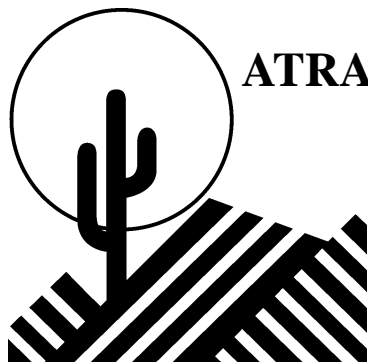
Basis for ATRA's Opposition

HCR 2026 provides expenditure limit relief to border cities and towns in a manner the Constitutional limits never contemplated. As indicated above, the Constitution provides relief to the expenditure limits by allowing jurisdictions the opportunity to seek both temporary and permanent adjustments via the voters.

ATRA does not believe the Constitutional expenditure limits considered the legislature making separate calculations for what constitutes "population" in certain areas of the state.

HB2245, which is another bill that is currently making its way through the process, creates a study committee to review both levy and expenditure limits. Interestingly, despite the fact that the cities agree there is a problem with expenditure limits, in this case border cities, they specifically took themselves out of the bill so that their expenditure limits would not be scrutinized by the study committee.

ATRA URGES YOU TO VOTE *NO* ON HCR 2026!



ARIZONA TAX RESEARCH ASSOCIATION

1814 West Washington Street, Phoenix, Arizona 85007

(602) 253-9121

www.arizonatax.org

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