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ARIZONA TAX RESEARCH ASSOCIATION

ATRA SUPPORTS HB2613

Clarify Local Government Advertising During Elections

Background:

Current state statute is clear that local governments may not use public resources to explicitly promote election measures. It is generally well understood that they cannot use public funds to advocate directly for the passage of a tax question at the ballot such as a sales tax increase or a bond proposal. However, a policy question arises concerning how they may promote themselves with a branding or image campaign while they seek approval of a tax question at the ballot.

When a jurisdiction or municipality is on the ballot for a tax-related measure, the public debate often surrounds their ability to effectively deliver services. The jurisdiction obviously has a strong incentive to promote itself. However, some have interpreted state law to allow a jurisdiction to spend unlimited taxpayer funds on a branding campaign as long as that advertising doesn't specifically reference the ballot question.

During elections, there are often accusations of electioneering against jurisdictions who are simply publicizing information as a part of their routine government business. Because statute is silent on these matters, investigations are often called for and jurisdictions are left to defend themselves.

Basis for ATRA's Support:

HB2613 does two important things to clarify the actions of jurisdictions between the call of a tax-question election through election day. First, it directs them to limit "district-focused" advertising (promotions where the district itself is the focus) to official business that is germane to the functioning of the jurisdiction and maintains their historical frequency, scope, and distribution. This sets a simple test for local governments and the county attorney's office, who is often asked to investigate claims of electioneering.

Second, this bill protects local governments engaging in routine business by giving them a framework to follow during tax-question elections.

This is not a solution seeking a problem. The Maricopa County hospital recently spent \$755,000 of taxpayer money to influence Prop 480 by creating an unprecedented ad-campaign that ran exclusively during the election.

The power of the state should not be used to influence voters to increase its authority or capacity.

ATRA ASKS LAWMAKERS TO VOTE YES ON HB2613!