Arizana Elections

State legislature hopes to overrule voters on budget

by **Amanda J. Crawford** - Apr. 2, 2008 12:00 AM The Arizona Republic

Staring down a deficit abyss of about \$3 billion for this year and next, Arizona lawmakers complain that their efforts to cut spending and balance the budget are stymied by voters.

Health care for the poor. Spending on schools. Money for clean elections and land conservation. Early-education and health programs for kids, funded by tobacco taxes. Major state programs and big bucks - all off-limits because they are protected by voter-approved initiatives.

A measure passed by the House of Representatives would give voters a chance to change that. It would free lawmakers from spending restraints mandated by initiatives whenever the state faces a budget deficit.

If approved by the state Senate, the referendum would go on the November ballot and, if passed, could have a dramatic effect on how the state balances future budgets.

Now, as lawmakers look for spending cuts, more than two-thirds of the state budget is off the table because it is protected by initiative or federal, court or statutory mandates.

Rep. Russell Pearce, R-Mesa, says this means that a huge chunk of budget growth, about \$600 million a year, is on "auto-pilot," which makes it difficult for the Legislature to balance the budget during hard economic times. Why shouldn't voter-approved programs share the cuts?

"In bad times, tough decisions have to be made," said Pearce, who sponsored the measure, House Concurrent Resolution 2044.

But opponents say the measure uses current fiscal problems as a smoke screen to mask the real intent: to strip voters of their voice and allow lawmakers to undo or defund programs they don't like.

"I think the voters of Arizona should be extremely alarmed and disappointed," said Karen Woodhouse, deputy director of First Things First, a board created at the ballot box in 2006 to oversee tobacco-tax-funded early-childhood education and health programs. "How could voters have trust in the opportunity to make their voice heard again through the initiative process?"

Direct democracy

In Arizona, the state Constitution protects voters' right to direct democracy, to go around their legislative representatives and create policy at the ballot box.

This right has often been used to pass policy that has gone nowhere year after year in the Legislature.

In 1998, voters sealed their initiative rights with the Voter Protection Act. Born out of frustration with lawmakers' efforts to change laws passed on the ballot, the Voter Protection Act handcuffs lawmakers, requiring a three-fourths vote to make any changes, which must "further the intent" of the voters.

Since then, measures passed by voters have been nearly sacrosanct. They have included big-ticket items such as expanded government health care for the poor and increased spending on education.

Now, growth in those two areas is a major driver of the state budget.

Together, spending on schools and the Arizona Health Care Cost Containment System, which voters expanded in 2000 to cover everyone living under the federal poverty line, account for more than half of the

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state's general-fund spending.

The entire pot of spending on AHCCCS and schools is not protected, but much of it is.

Pearce complains that what voters have protected are "the giveaway programs, the socialist programs," referring to programs like AHCCCS and First Things First.

He says he fears unprotected areas, like corrections and law enforcement, which he considers to be among the most critical areas of the state budget, will have to bear the brunt of the deficit.

Sen. Bob Burns, R-Peoria, said that as so much of the budget becomes controlled by voter initiative, he wonders if that's really what voters intended.

"We need more flexibility here as a legislative body in order to do our jobs in these types of situations," said Burns, Senate appropriations chairman and a co-sponsor of HCR 2044.

Free rein

Under the measure, lawmakers could divert funds from voter-approved programs or change funding formulas whenever the governor and Legislature agree that the state is facing a budget deficit.

Supporters characterize these as extreme times. But, by Pearce's own count, the state has been facing a deficit in five of the past eight budgets.

Opponents say the measure would give the Legislature nearly free rein to scale back or defund programs that the majority doesn't support.

"I obviously understand we are in a fiscal crisis, but you can't subvert the will of the voters," said Rep. Kyrsten Sinema, D-Phoenix.

She said she believes the measure "takes advantage of the fiscal crisis to go after (programs) they've always wanted to go after."

AHCCCS eligibility could be reduced to only the poorest of the poor. Tobacco taxes that go to health programs or early-childhood education could be diverted to the state's general fund, instead. Funding for schools could be scaled back. Money collected to support publicly financed political campaigns could be swept to help balance the budget.

Sandy Bahr, director of the Grand Canyon Chapter of the Sierra Club, said the whole point of initiatives is to address issues to which the Legislature has been unresponsive. She characterizes the measure as a "power grab."

"I understand why the Legislature wants more power," Bahr said. "The citizen-initiative rights are a check on legislative power."

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