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STATE OF ARIZONA
PUBLICITY PAMPHLET
1980

Propositions to be submitted to the
qualified electors of the State of Arizona
at the

GENERAL ELECTION
NOVEMBER 4, 1980



COMPILED AND ISSUED BY

ROSE MOFFORD

Secretary of State

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SECRETARY OF STATE

DEAR ARIZONANS:

Nine measures will be submitted for your approval or rejection on the November 4, 1980 General Election Ballot. This publicity pamphlet contains the complete text of each measure, ballot format, official title, descriptive title, the number by which it will be designated on the ballot, arguments for and against the measure or amendment, and a legislative council analysis of the ballot proposal where applicable.

In compliance with the Federal Voting Rights Act, this publicity pamphlet is available in both English and Spanish.

I urge you to read carefully each of the measures or amendments contained within this pamphlet and the effect a "yes" or "no" vote will have upon them so that you will be ready to fully exercise your right to vote on November 4th.

Sincerely,

A handwritten signature in cursive script that reads "Rose Mofford".

ROSE MOFFORD
Secretary of State

PROPOSITION 100

OFFICIAL TITLE

SENATE CONCURRENT RESOLUTION 1002

A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO NOMINATION OF INCUMBENT OF ELECTIVE OFFICE TO ANOTHER LOCAL, STATE OR FEDERAL OFFICE, AND AMENDING ARTICLE XXII, CONSTITUTION OF ARIZONA, BY ADDING SECTION 18.

TEXT OF PROPOSED AMENDMENT

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. The following amendment of article XXII, Constitution of Arizona, by adding section 18, is proposed, to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

18. Nomination of incumbent public officers to other offices

SECTION 18. EXCEPT DURING THE FINAL YEAR OF THE TERM BEING SERVED, NO INCUMBENT OF A SALARIED ELECTIVE OFFICE, WHETHER HOLDING BY ELECTION OR APPOINTMENT, MAY OFFER HIMSELF FOR NOMINATION OR ELECTION TO ANY SALARIED LOCAL, STATE OR FEDERAL OFFICE.

FINAL VOTE CAST BY THE LEGISLATURE ON SCR 1002 (PROPOSITION 100)

House — Ayes, 57
Nays, 3
Not Voting, 0

Senate — Ayes, 21
Nays, 9
Not Voting, 0

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

Proposition 100 would amend the Constitution, article XXII by adding section 18, the effect of which would be to require that the holder of a salaried elective office resign that office to run for or be nominated to a salaried local, state or federal office, except during the final year of the term being served.

This amendment would incorporate in the Constitution a new requirement, not by declaring incumbents of elective offices ineligible for other offices, but by making an incumbent officeholder, except during the last year of the term being served, resign one office to seek certain other offices.

The new provision would not affect the judiciary. The Constitution, in another section, prohibits any justice or judge of a court of record from holding office and pursuing a candidacy except for another judicial office.

If this proposition is adopted, present inconsistent statutory law will need amendatory and clarifying legislation.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSTION 100

This resign-to-run constitutional amendment, Proposition 100, is a sound governmental principle which encourages an elective public officer to devote himself exclusively to the duties of his office.

The public subsidizes a candidate for office who already holds another public office, since the name of the candidate has become known by association with the office already held. Furthermore, the office held can easily be abused in promoting the campaign for a second office.

Permitting a public officeholder in the middle of the term being served to run for another office while retaining the rewards and benefits of the office already gained destroys the expectation of the electorate. An officeholder owes the public a duty to properly fulfill the duties of the office or allow another to assume the position.

Serious and efficient administration of the public business cannot be accomplished by ambitious stepping-stone candidates whose chief motivation is to further their own careers.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 100

Current elective offices have two-year, four-year and six-year terms, so the manner in which this amendment affects particular officeholders is not equal. Certain incumbents could not run for certain other offices without resigning since the elections for such offices would be held in the middle of their terms. Transition to or from office holding on the local level is also impaired.

Proposition 100 restricts the free speech and political participation of certain candidates for public office solely because they hold other offices. This addition to the Arizona Constitution may violate the United States Constitution for these reasons.

The voters are the proper authority to decide the consequences for an incumbent who seeks another office.

This amendment places obstacles in the way of the candidacy of experienced and known community leaders. Their opponents from private life are not required to quit their private jobs and forego their incomes in order to run for office.

While this proposal may have been intended to apply only to those seeking elective offices, the language is not limited and could inhibit nominations to appointive offices.

BALLOT FORMAT

<p style="text-align: center;"><u>PROPOSITION 100</u> PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p><u>OFFICIAL TITLE</u> SENATE CONCURRENT RESOLUTION 1002 A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO NOMINATION OF INCUMBENT OF ELECTIVE OFFICE TO ANOTHER LOCAL, STATE OR FEDERAL OFFICE, AND AMENDING ARTICLE XXII, CONSTITUTION OF ARIZONA, BY ADDING SECTION 18.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u> Amending Arizona Constitution, Article XXII, adding Section 18 requiring the holder of a salaried elective office to resign the office to run for a different salaried local, state or federal office, except during the final year of the term being served.</p> <hr/> <p><u>PROPOSITION 100</u> A "yes" vote shall have the effect of requiring salaried office holders to resign their position if they desire to run for a different salaried local, state or federal office except during the final year of their term. A "no" vote shall have the effect of not establishing a constitutional provision limiting a current salaried office holder from seeking nomination or election to another salaried local, state or federal office.</p>	<p>YES</p> <p>NO</p>	<p></p> <p></p>
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PROPOSITION 101

OFFICIAL TITLE

SENATE CONCURRENT RESOLUTION 1015

A CONCURRENT RESOLUTION PROPOSING AMENDMENTS TO THE CONSTITUTION OF ARIZONA RELATING TO PUBLIC SERVICE CORPORATIONS AND RAILROADS; DECLARING ALL RAILROADS TO BE COMMON CARRIERS AND SUBJECT TO CONTROL BY LAW, AND AMENDING ARTICLE XV, SECTIONS 2 AND 10, CONSTITUTION OF ARIZONA.

TEXT OF PROPOSED AMENDMENT

Be it resolved by the Senate of the State of Arizona, the House of Representatives concurring:

1. The following amendments of article XV, sections 2 and 10, Constitution of Arizona, are proposed, to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

2. "Public service corporations" defined

Section 2. All corporations other than municipal engaged in ~~carrying persons or property for hire, or in~~ furnishing gas, oil, or electricity for light, fuel, or power; or in furnishing water for irrigation, fire protection, or other public purposes; or in furnishing, for profit, hot or cold air or steam for heating or cooling purposes; or engaged in collecting, transporting, treating, purifying and disposing of sewage through a system, for profit; or in transmitting messages or furnishing public telegraph or telephone service, and all corporations other than municipal, operating as common carriers, shall be deemed public service corporations.

10. Railways as public highways; other corporations as common carriers

Section 10. Railways heretofore constructed, or that may hereafter be constructed, in this State, are hereby declared public highways AND ALL RAILROADS ARE DECLARED TO BE COMMON CARRIERS AND SUBJECT TO CONTROL BY LAW. ~~and All railroad, car, express,~~ electric, transmission, telegraph, telephone, or pipeline corporations, for the transportation of ~~persons, or of~~ electricity, messages, water, oil, or other property for profit, are declared to be common carriers and subject to control by law.

**FINAL VOTE CAST BY THE LEGISLATURE ON SCR 1015
(PROPOSITION 101)**

House — Ayes, 52	Senate — Ayes, 27
Nays, 1	Nays, 2
Not Voting, 5	Not Voting, 1
Excused, 2	

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

The Constitution of Arizona currently includes within the definition of public service corporations all corporations, other than municipal corporations, engaged in carrying persons or property for hire or furnishing utilities and operating as common carriers.

Under existing law, corporations engaged in carrying persons or property for hire and operating as common carriers include buses and airlines operating intrastate routes, taxicabs, ambulances, touring companies, trucking and moving companies and railroads operating within the state.

Proposition 101 by including only railroads and electric, transmission, telegraph, telephone or pipeline corporations as common carriers within the definition of public service corporations would exclude buses and airlines operating intrastate routes, taxicabs, ambulances, touring companies, trucking and moving companies and airlines operating within the state.

The effective date of the legislation implementing Proposition 101 is July 1, 1982.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSITION 101

Arizona has a system of "regulated monopoly" for motor carriers which is one of the most restrictive systems of regulation in the United States. Proposition 101 would permit deregulation of common carriers to change to a system of competition. The present monopolistic system is in direct conflict with the general concept of free enterprise and is contrary to the public interest.

When a monopoly is granted to one carrier the public suffers. Poor service, delays, additional costs, circuitous routing and wasted fuel often result from such monopolistic conditions.

Recent deregulation of airlines has resulted in better, competitive service and lower fares. The same result will follow the deregulation of motor carriers.

Time-consuming procedures required by the present regulatory system result in higher costs to the consumer and delays in providing needed services.

Profiteering in certificates of convenience and necessity, which are currently required to operate as a common carrier, is common, artificially increasing their value because they are difficult and expensive to obtain. High costs to the applicant, and to existing carriers contesting the issuance of a new certificate, also result in higher costs to the consumer.

The protection of the public will not be affected by the passage of Proposition 101 since it provides that all transportation safety and insurance requirements will remain in the statutes.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 101

The current system was devised many years ago for the protection of the public. The present requirements for entry into the field and regulations on rates and routes produce responsible carriers accountable to the public.

Changing the current system could cause fierce competition which will result in the inefficient operation of carriers.

Regulation was begun to insure minimum levels of transportation service at reasonable rates. In the absence of such controls, small shippers and small communities will be at a distinct competitive disadvantage with their larger counterparts. Less profitable rural markets could suffer significant service cutbacks because carriers will be able to choose to serve only higher paying markets.

Under Proposition 101 firms offering better service at slightly higher rates would be run out of business by cutthroat competitors offering inferior services.

Deregulation will encourage more large vehicles on state roads thereby causing additional safety hazards. Deregulation will not create more freight. With more trucks competing for the same amount of freight the only logical result will be more empty and partially loaded trucks which will cause a decrease in productivity and an increase in wasted fuel.

The current system is providing safe, efficient and adequate service to the public. No constitutional change is necessary.

Any problems with the current system were created by statute and not the constitution. Proposition 101 is not needed to solve those problems. Monopolistic tendencies can be controlled through statutory change rather than constitutional amendment. By changing the statutes, competition can be opened up while guaranteeing service to small communities in Arizona can be retained.

ARGUMENT "FOR" PROPOSITION 101

It is in the best interest of all Arizonans to support the passage of Proposition 101, and deregulate the transportation industry.

Our current system of "regulated monopoly," and that's exactly what it is, succeeds in requiring government interference at the expense of free competition in the surface transportation industries.

Deregulation will bring about a better quality of service to a wider variety of consumers in both small and large communities. I take issue with those who say we need government regulation to provide transportation service to the public. It simply hasn't worked that way.

Those who oppose deregulation talk about "destructive competition" and "chaos" when what they really fear is having to compete like other industries do. This Proposition is the beginning of the end to price fixing; it is the beginning of the end of a system which transfers enormous payments from consumers to the regulated firms in exchange for what I consider to be inadequate service at too high a cost. Moreover, safety will continue to be regulated by appropriate state and federal agencies.

Arizonans should take the lead in ridding itself of a concept that has long outlived its usefulness and served to stifle free competition in one of our most basic industries.

I urge your support for this Proposition. We must take the bureaucrats out of the driver's seat.

Bruce Babbitt
Governor

ARGUMENT "FOR" PROPOSITION 101

Voting YES for Proposition-101 (Deregulation of Transportation) is a vote for lower prices, elimination of bureaucratic government control, better enforcement of transportation safety standards and a restoration of the American free enterprise system.

Arizona's transportation industry (trucks, buses, taxis, delivery services, scenic tours and intra-state airlines) operates under a government controlled monopoly system. Certain companies are granted exclusive monopoly privileges to provide services over certain routes or in certain areas. You are prohibited by law from starting a company and competing in these areas. Only those companies with a monopoly certificate granted by the Corporation Commission are allowed to do business. The Corporation Commission also determines rates.

Under the present system, for example, a company might be allowed to haul groceries from Phoenix to Yuma, but not to haul anything back from Yuma to Phoenix. The truck must return empty—a waste of fuel and money which you, the consumer, pay for on the grocery store shelf. Proposition-101 will eliminate such wasteful bureaucratic rules. It will replace them with the American free market system where an enterprising person can start a business and compete for success. History proves that the best services and the lowest prices result from free competition in a free market.

Transportation industry's safety and insurance coverage are two important consumer protections. Proposition-101 will bring improvements in these areas because a more specialized enforcement unit will be created within the Arizona Department of Transportation. Presently, staff personnel are burdened with protecting monopoly privileges and setting rates. Under Proposition-101 these energies will be exclusively directed at enforcing safety standards and financial responsibility laws.

101-YES will bring lower prices, better services, better safety protection, less bureaucracy and a return to the American free market system.

Proposition-101 YES Committee

Ralph A. Watkins, Jr.
Marriner Cardon
Co-Chairs

BALLOT FORMAT

<p style="text-align: center;"><u>PROPOSITION 101</u> PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p><u>OFFICIAL TITLE</u> SENATE CONCURRENT RESOLUTION 1015 A CONCURRENT RESOLUTION PROPOSING AMENDMENTS TO THE CONSTITUTION OF ARIZONA RELATING TO PUBLIC SERVICE CORPORATIONS AND RAILROADS; DECLARING ALL RAILROADS TO BE COMMON CARRIERS AND SUBJECT TO CONTROL BY LAW, AND AMENDING ARTICLE XV, SECTIONS 2 AND 10, CONSTITUTION OF ARIZONA.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u> Amending Arizona Constitution, Article XV, Section 2, and 10, changing definition of public service corporations and declaring all railroads to be common carriers and subject to control by the Corporation Commission and excluding from regulation by the Corporation Commission, buses, taxicabs, ambulances, touring companies, trucking and moving companies, and airlines operating within the state and placing such companies under jurisdiction of the State Department of Transportation.</p> <hr/> <p><u>PROPOSITION 101</u> A "yes" vote shall have the effect of deregulating the transportation industry. A "no" vote shall have the effect of not deregulating the transportation industry.</p>	<p style="text-align: center;">YES</p> <p style="text-align: center;">NO</p>	<p style="text-align: center;"></p> <p style="text-align: center;"></p>
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PROPOSITION 102

OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2009

A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO THE EXECUTIVE DEPARTMENT; PRESCRIBING INELIGIBILITY OF STATE TREASURER TO HOLD OFFICE FOR MORE THAN TWO CONSECUTIVE ELECTED TERMS; AMENDING ARTICLE V, SECTION 10, CONSTITUTION OF ARIZONA

TEXT OF PROPOSED AMENDMENT

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. The following amendment of article V, section 10, Constitution of Arizona, is proposed, to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

10. Ineligibility of state treasurer to hold office for more than two consecutive elected terms

Section 10. No person shall be eligible ~~to succeed himself~~ to HOLD the office of State Treasurer for ~~the succeeding two years after the expiration of the term for which he shall have been elected~~ MORE THAN TWO CONSECUTIVE ELECTED TERMS.

**FINAL VOTE CAST BY THE LEGISLATURE ON HCR 2009
(PROPOSITION 102)**

House—Ayes, 48
Nays, 3
Not Voting, 9

Senate—Ayes, 17
Nays, 12
Not Voting, 1

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

Proposition 102 would amend article V, section 10, Constitution of Arizona, to provide that a person could not hold the office of State Treasurer for more than two consecutive elected terms.

The State Treasurer is elected for a four-year term. The current constitutional provision states that once elected as State Treasurer a person cannot hold the office again until two years after the end of the term for which the person was elected.

The amendment proposed by this proposition would allow a person elected to the office of State Treasurer to hold the office for one additional term without any interruption between those terms.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSITION 102

Allowing a person to hold the office of State Treasurer for two consecutive elected terms would retain the expertise developed during the first term.

It is only fair that the Constitution be amended to remove the one term requirement. No other elective office in this state has a constitutional requirement that a person cannot seek an additional consecutive term.

The one term requirement is antiquated and unnecessary. Its original purpose was to prevent fraud and mismanagement of state funds. However, current accounting practices will promptly disclose any fiscal irregularities.

Whether or not the State Treasurer runs for more than one term should be decided by the voters rather than by constitutionally limiting the officeholder to only one term.

Proposition 102 will also remove the ambiguous reference to a two-year waiting period before a person could run again for the office of State Treasurer. Since the office of the State Treasurer now has a four-year term, the two-year waiting period is no longer appropriate.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 102

Allowing the State Treasurer to run for consecutive terms as proposed by Proposition 102 would require the treasurer to be out campaigning during the first term instead of devoting complete attention to the office.

The State Treasurer is responsible for the investment of millions of dollars of state funds. Electing a new person every term would result in a change in investment philosophy every four years which is a good idea since a sound investment policy calls for a periodic reevaluation of holdings.

Electing a new State Treasurer every four years prevents one person from becoming so entrenched in the office that others would be precluded from discovering any mishandling of state funds.

We need constitutional changes regarding the State Treasurer's office. But should we merely allow an extra term? Because most of the functions of the office are administrative and ministerial, a more crucial issue might be whether the State Treasurer should even be elected.

BALLOT FORMAT

<p style="text-align: center;">PROPOSITION 102 PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p><u>OFFICIAL TITLE</u></p> <p style="text-align: center;">HOUSE CONCURRENT RESOLUTION 2009</p> <p>A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO THE EXECUTIVE DEPARTMENT; PRESCRIBING INELIGIBILITY OF STATE TREASURER TO HOLD OFFICE FOR MORE THAN TWO CONSECUTIVE ELECTED TERMS; AMENDING ARTICLE V, SECTION 10, CONSTITUTION OF ARIZONA.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u></p> <p>Amending Arizona Constitution, Article V, Section 10, to provide that a person could not hold the office of State Treasurer for more than two consecutive elected terms.</p> <hr/> <p><u>PROPOSITION 102</u></p> <p>A "yes" vote shall have the effect of allowing a person to hold the office of State Treasurer for not more than two consecutive elected terms.</p> <p>A "no" vote shall have the effect of retaining the constitutional restriction that no person elected State Treasurer is eligible to succeed himself for two years after expiration of the term to which he was elected.</p>	<p style="text-align: center;">YES</p> <p style="text-align: center;">NO</p>	<p style="text-align: center;"></p> <p style="text-align: center;"></p>
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PROPOSITION 103

OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2009

A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO PUBLIC DEBT, REVENUE AND TAXATION; PRESCRIBING EXEMPTION FROM TAXATION OF CERTAIN AREAS OF PRIVATELY-OWNED AIRPORTS; AMENDING ARTICLE IX, CONSTITUTION OF ARIZONA, BY ADDING SECTION 2.4.

TEXT OF PROPOSED AMENDMENT

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

2. The following amendment of article IX, Constitution of Arizona, by adding section 2.4, is proposed to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

2.4. Exemption from tax; certain airport property

SECTION 2.4. THERE SHALL BE FURTHER EXEMPT FROM TAXATION AREAS OF A PRIVATELY OWNED AIRPORT WHICH ARE AVAILABLE TO THE PUBLIC WITHOUT CHARGE FOR USE IN THE LANDING, TAKING OFF, TAXIING AND PARKING OF AIRCRAFT. NO PROPERTY SHALL BE EXEMPT WHICH HAS BEEN CONVEYED TO EVADE TAXATION. THIS SECTION SHALL BE SELF-EXECUTING.

FINAL VOTE CAST BY THE LEGISLATURE ON HCR 2009 (PROPOSITION 103)

House—Ayes, 48
Nays, 3
Not Voting, 9

Senate—Ayes, 17
Nays, 12
Not Voting, 1

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

If ratified, Proposition 103 would exempt certain areas of private airports from state and local property taxes. The areas which would be exempt are those on which any member of the public may land, take off, taxi and park aircraft without charge. If the owner or operator of an airport charges a fee for the use of part of the airport, that area would remain subject to taxation.

Any property which is sold or otherwise transferred specifically to qualify for this tax exemption would remain subject to taxation.

This proposition would add a new article IX, section 2.4 to the Arizona Constitution and would require no further enabling legislation.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSITION 103

General aviation is a significant part of the total air transportation system, carrying more intercity passengers than 26 airlines combined. Privately-owned public use airports are an integral part of both national and intrastate transportation and are the cornerstone of the general aviation system. Nearly one-half of the airports open for public use nationwide are privately-owned.

According to a 1978 study by the Federal Aviation Administration, the number of privately-owned public use airports declined between 1974 and 1976 by 20 percent nationwide. High property taxes are one of the most common problems faced by airport owners and were the crucial deciding factor in 40 percent of the airport closure decisions during that period. As urbanization expands toward the airport, the land value rises and taxes increase. Taxes rise at a faster rate than airport revenues, straining the owner's ability to operate and maintain the airport, and tempting the owner to sell for a more profitable use. If these airports continue to disappear, more air traffic will be forced into the remaining public airports, causing increased delays, expense and disruption of service for all air transportation.

The limited tax exemption offered by Proposition 103 for public areas of private airports will help to ensure the continuation of these facilities in Arizona.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 103

Proposition 103 offers a tax break the taxpayers don't need. The only people who would benefit from this proposition are the few who own or regularly use private airports. The rest of the taxpayers would have to pick up the burden cast off by private airports. Tax relief should favor the general public and not just a few.

No matter what may occur elsewhere, property taxes in Arizona do not threaten or burden private airports. On the contrary, the massive property tax reforms recently adopted in this state promise to hold taxes in line with factors which determine a person's ability to pay. There is no rational basis for singling out private airports for favored tax treatment. Other private businesses must pay their fair share of taxes. Private airports should pay taxes too.

Property taxes do not cause airports to close in Arizona. Declining use or mismanagement are more probable reasons for airport closure. Arizona's taxpayers should not be required to bail out troubled airports if the owners cannot solve their own problems. It may even be beneficial to allow some private airports to close to reduce the conflicting air traffic patterns in congested areas.

BALLOT FORMAT

<p style="text-align: center;">PROPOSITION 103 PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p><u>OFFICIAL TITLE</u></p> <p style="text-align: center;">HOUSE CONCURRENT RESOLUTION 2009</p> <p>A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO PUBLIC DEBT, REVENUE AND TAXATION; PRESCRIBING EXEMPTION FROM TAXATION OF CERTAIN AREAS OF PRIVATELY-OWNED AIRPORTS; AMENDING ARTICLE IX, CONSTITUTION OF ARIZONA, BY ADDING SECTION 2.4.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u></p> <p>Amending Arizona Constitution, Article IX, by adding Section 2.4 exempting from taxation certain areas of privately owned airports available to the public without charge, for use in landing, taking off, taxiing and parking of aircraft, excluding property which may have been conveyed to evade taxation.</p> <hr/> <p><u>PROPOSITION 103</u></p> <p>A "yes" vote shall have the effect of exempting from taxation privately owned airport property, available to the public without charge.</p> <p>A "no" vote shall have the effect of not allowing property tax exemption for certain areas of privately owned airports.</p>	<p>YES</p> <p>NO</p>	<p></p> <p></p>
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PROPOSITION 104

OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2006

A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA ALLOWING CONFINEMENT OF MINORS CONVICTED AS ADULTS WITH ADULTS, AND AMENDING ARTICLE XXII, SECTION 16, CONSTITUTION OF ARIZONA.

TEXT OF PROPOSED AMENDMENT

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. The following amendment of article XXII, section 16, Constitution of Arizona, is proposed to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

16. Confinement of minor offenders

Section 16. A. EXCEPT AS PROVIDED IN SUBSECTION B, it shall be unlawful to confine any ~~minor~~ PERSON under the age of eighteen years, accused or convicted of crime, in the same section of any jail or prison in which adult prisoners are confined. Suitable quarters shall be prepared for the confinement of such minors.

B. A PERSON UNDER THE AGE OF EIGHTEEN YEARS WHO HAS BEEN CONVICTED OF A CRIMINAL OFFENSE AS AN ADULT MAY BE CONFINED IN A STATE PRISON FOR THIS OFFENSE.

**FINAL VOTE CAST BY THE LEGISLATURE ON HCR 2006
(PROPOSITION 104)**

House — Ayes, 39
Nays, 1
Not Voting, 20

Senate — Ayes, 19
Nays, 7
Not Voting, 4

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

The Constitution of Arizona currently prohibits the confinement of accused or convicted persons under eighteen years of age in the same section of a jail or prison in which adult prisoners are kept. These minors must be kept in separate housing and are not allowed to mix with adult prisoners in any way until they reach the age of 18.

Proposition 104 would allow a person under 18 who has been tried and convicted as an adult to be confined with adult prisoners in state prisons. This change would not apply to county or city jails where separation of minors from adults would still be required.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSITION 104

The Department of Corrections offers a vocational and educational program designed to encourage rehabilitation of offenders. Currently, minors confined in state prison facilities are denied access to worthwhile rehabilitation programs available to adult prisoners. Proposition 104 would enable minors to participate in those rehabilitation programs.

The separate programs required under current law for adults and minors convicted as adults are a wasteful expense for the state to bear, especially considering the relatively few minors confined in state prison facilities. Proposition 104 would save the state money through the elimination of costly, inefficient separate programs.

Many convicted minors are sophisticated criminals whose age is merely an arbitrary distinction which may not justify different treatment from adult criminals. Those convicted as adults should be treated as adults.

Proposition 104 offers a reasonable approach to a difficult situation since it applies only to convicted and not accused minors and would only apply to minors placed in state prison facilities.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 104

The passage of Proposition 104 opens the door for minors to be used and abused by adult criminals. Mixing of minors with adult offenders will result in increased sexual and physical abuse of prisoners as well as conflicts among the different age groups.

Minors will be exposed to schools of crime taught by hardened criminals whose influence will deter these young people from successfully completing a desired rehabilitation program. Separate facilities eliminate the negative influence of criminal adult offenders.

The cost to the state of separate programs for minors is justified since, due to their age, minors need special counseling and programs to effectively benefit from rehabilitation programs.

Under Proposition 104, it is possible for minors to be confined with adults in institutions like the prison at Florence since this amendment fails to make a needed distinction between maximum, medium and minimum security prison facilities.

BALLOT FORMAT

<p style="text-align: center;">PROPOSITION 104 PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p>OFFICIAL TITLE</p> <p style="text-align: center;">HOUSE CONCURRENT RESOLUTION 2006</p> <p>A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA ALLOWING CONFINEMENT OF MINORS CONVICTED AS ADULTS WITH ADULTS, AND AMENDING ARTICLE XXII, SECTION 16, CONSTITUTION OF ARIZONA.</p> <hr/> <p>DESCRIPTIVE TITLE</p> <p>Amending Arizona Constitution, Article XXII, Section 16 allowing a person under the age of 18 years who has been convicted of a criminal offense as an adult to be confined with adults in a state prison.</p> <hr/> <p>PROPOSITION 104</p> <p>A "yes" vote shall have the effect of allowing minors convicted of an adult criminal offense to be confined in an adult state correctional institution.</p> <p>A "no" vote shall have the effect of not allowing minors convicted of an adult criminal offense to be confined in an adult correctional institution.</p>	<p>YES</p> <p>NO</p>	<p></p> <p></p>
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PROPOSITION 105

OFFICIAL TITLE

HOUSE CONCURRENT RESOLUTION 2013

A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO LABOR; PRESCRIBING CERTAIN OPTIONS REGARDING THE RIGHT TO SUE FOR PERSONS ELIGIBLE FOR WORKMAN'S COMPENSATION, AND AMENDING ARTICLE XVIII, SECTION 8, CONSTITUTION OF ARIZONA.

TEXT OF PROPOSED AMENDMENT

Be it resolved by the House of Representatives of the State of Arizona, the Senate concurring:

1. The following amendment of article XVIII, section 8, Constitution of Arizona, is proposed to become valid when approved by a majority of the qualified electors voting thereon and upon proclamation of the governor:

8. Workmen's compensation law

Section 8. The Legislature shall enact a Workmen's Compensation Law applicable to workmen engaged in manual or mechanical labor in all public employment whether of the State, or any political subdivision or municipality thereof as may be defined by law and in such private employments as the Legislature may prescribe by which compensation shall be required to be paid to any such workman, in case of his injury and to his dependents, as defined by law, in case of his death, by his employer, if in the course of such employment personal injury to or death of any such workman from any accident arising out of and in the course of, such employment, is caused in whole, or in part, or is contributed to, by a necessary risk or danger of such employment, or a necessary risk or danger inherent in the nature thereof, or by failure of such employer, or any of his or its agents or employee or employees to exercise due care, or to comply with any law affecting such employment; provided that it shall be optional with any employee engaged in any such private employment to settle for such compensation, or to retain the right to sue said employer OR ANY PERSON EMPLOYED BY SAID EMPLOYER, ACTING IN THE SCOPE OF HIS EMPLOYMENT, as provided by this Constitution; and, provided further, in order to assure and make certain a just and humane compensation law in the State of Arizona, for the relief and protection of such workmen, their widows, children or dependents, as defined by law, from the burdensome, expensive and litigious remedies for injuries to or death of such workmen, now existing in the State of Arizona, and producing uncertain and unequal compensation therefor, such employee, engaged in such private employment, may exercise the option to settle for compensation by failing to reject the provisions of such Workmen's Compensation Law prior to the injury, EXCEPT THAT IF THE INJURY IS THE RESULT OF AN ACT DONE BY THE EMPLOYER OR A PERSON EMPLOYED BY THE EMPLOYER KNOWINGLY AND PURPOSELY WITH THE DIRECT OBJECT OF INJURING ANOTHER, AND THE ACT INDICATES A WILFUL DISREGARD OF THE LIFE, LIMB OR BODILY SAFETY OF EMPLOYEES, THEN SUCH EMPLOYEE MAY, AFTER THE INJURY, EXERCISE THE OPTION TO ACCEPT COMPENSATION OR TO RETAIN THE RIGHT TO SUE THE PERSON WHO INJURED HIM.

The percentages and amounts of compensation provided in House Bill No. 227 enacted by the Seventh Legislature of the State of Arizona, shall never be reduced nor any industry included within the provision of said House Bill No. 227 eliminated except by initiated or referred measure as provided by this Constitution.

**FINAL VOTE CAST BY THE LEGISLATURE ON HCR 2013
(PROPOSITION 105)**

House — Ayes, 39
Nays, 10
Not Voting, 11

Senate — Ayes, 16
Nays, 10
Not Voting, 4

ANALYSIS BY LEGISLATIVE COUNCIL

(In compliance with A.R.S. 19-124)

Proposition 105 would amend Article XVIII, section 8, Constitution of Arizona, to require an employee engaged in private employment who is eligible for workmen's compensation to specifically choose to either accept compensation or retain the right to sue a co-employee who commits an act in the scope of employment causing an injury to the employee. This would change present law which allows recovery of workmen's compensation in addition to a suit against the co-employee. Under current law an employer is usually exempt from being sued if the employer provides compensation.

The law also currently provides that an eligible employee is automatically covered by workmen's compensation unless he specifically rejects coverage in writing prior to an injury. This proposition includes an additional constitutional text change which would allow an employee covered by compensation the option to sue the employer or co-employee without having filed previous notice of the rejection of coverage if the act causing the injury was done knowingly and purposely with the direct object of injuring the employee, and the act shows a wilful disregard of the employee's life, limb or bodily safety. The suit would be instead of, and not in addition to, workmen's compensation.

LEGISLATIVE COUNCIL ARGUMENTS FAVORING PROPOSITION 105

A stated purpose of our current constitutional provisions on workmen's compensation is to provide for protection from the burdensome, expensive and litigious remedies for injuries to or death of workers. Present law allows a worker to sue a co-employee even after the injured person has been paid for the injury through workmen's compensation. This proposition would require that the worker choose between taking compensation and filing a suit against the co-employee in the event of an injury. This change would reduce unnecessary lawsuits and bar double recoveries by the injured workers.

Current constitutional language requires that, if the injury is caused by the employer, the injured employee must elect to either take compensation or sue the employer. It only makes sense to provide equal treatment in the case of an injury caused by a co-employee.

Proposition 105 does recognize that even if an employee has chosen to be covered by workmen's compensation, in the case of an act purposely injuring the employee and done with a wilful disregard to his safety, the injured employee may still reject the compensation coverage and sue the employer or co-employee.

Proposition 105 both clarifies present law and precludes double recoveries which have plagued the already expensive system of workmen's compensation.

LEGISLATIVE COUNCIL ARGUMENTS OPPOSING PROPOSITION 105

An arbitrary amount of compensation set under a government operated injury compensation program fails to account for all the realities of physical disability, inability to work and the pain and suffering of injury. The common law right of an employee to sue a fellow employee is well established in this state. Proposition 105 would restrict this right.

It appears that this proposition would allow the injured worker the choice to accept compensation or to sue the co-employee who caused the injury. However, the worker is automatically covered by compensation unless he specifically rejects it in writing before an injury, so the practical result of this constitutional change is to cut off unsuspecting workers from their right to sue.

The present system of allowing suit against a co-employee for injury encourages care by fellow employees. It has encouraged safe and responsible dealings among co-workers. Proposition 105, which places the responsibility on the already costly workmen's compensation law, would be both tolerant and protective of careless work habits. This proposition would shield the irresponsible co-worker from the fiscal implications of his own behavior.

The status of workmen's compensation coverage and claims is already difficult to understand for employees. This proposition adds more confusing language while significantly reducing employee rights.

ARGUMENT "FOR" PROPOSITION 105

Submitted by the Arizona Chamber of Commerce

Presently, Arizona law provides that a worker cannot both accept workmen's compensation coverage and sue his employer in the event of a work-related injury. This is to protect the employer against having to pay for an injury twice — once in the form of workmen's compensation, and then again as a result of a civil suit. This protection for the employer against civil suit was a trade-off for giving the worker compensation for injuries without having to prove the employer was responsible.

For over 40 years, this same protection against civil suits extended to fellow employees of an injured worker in Arizona, a protection workers in the vast majority of states currently enjoy. Due to an overly technical court interpretation of our state constitution, this protection was taken away from Arizona workers. If you unintentionally contribute to a work-related injury, you are subject to civil suit even if your injured co-worker receives workmen's compensation.

An employee subject to such a suit is unprotected. Insurance against this kind of liability is unavailable, meaning his earnings, savings, and home may be on the line. His only hope is that his employer will assume his liability and the cost of his defense. Sometimes employers do that, in which case the suit is actually an attempt to do indirectly what cannot be done directly — make a double recovery against the employer who has already paid workmen's compensation. Passage of Proposition 105 would prevent both of these inequities, although it is carefully worded so that employers or fellow workers who purposely injure someone would not be protected against civil suit.

Proposition 105 is opposed mainly by lawyers who get a percentage of the recoveries made through these inequitable suits. Most other Arizonans will benefit from eliminating this threat of liability for which there is no protection — except passage of Proposition 105.

D. Milton Whitley
Chairman of the Board
Arizona Chamber of Commerce

William C. Jacquin
President
Arizona Chamber of Commerce

BALLOT FORMAT

<p style="text-align: center;">PROPOSITION 105 PROPOSED AMENDMENT TO THE CONSTITUTION BY THE LEGISLATURE</p> <p><u>OFFICIAL TITLE</u></p> <p style="text-align: center;">HOUSE CONCURRENT RESOLUTION 2013</p> <p>A CONCURRENT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA RELATING TO LABOR; PRESCRIBING CERTAIN OPTIONS REGARDING THE RIGHT TO SUE FOR PERSONS ELIGIBLE FOR WORKMAN'S COMPENSATION, AND AMENDING ARTICLE XVIII, SECTION 8, CONSTITUTION OF ARIZONA.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u></p> <p>Amending Arizona Constitution, Article XVIII, Section 8, allowing persons eligible for workmen's compensation to choose compensation or retain the right to sue the co-employee who injured him if the injury resulted from an act done by the employer or co-employee.</p> <hr/> <p><u>PROPOSITION 105</u></p> <p>A "yes" vote shall have the effect of allowing an injured employee the choice of accepting compensation or to sue the co-employee who caused the injury.</p> <p>A "no" vote shall have the effect of retaining provision of allowing an employee to recover workmen's compensation as well as the right to sue co-employee.</p>	<p>YES</p> <p>NO</p>	<p></p> <p></p>
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PROPOSITION 106

OFFICIAL TITLE

AN INITIATIVE PROPOSED TO AMEND THE CONSTITUTION OF ARIZONA LIMITING THE MAXIMUM AMOUNT OF AD VALOREM TAX ON ALL TAXABLE PROPERTY; DEFINING FULL CASH VALUE; LIMITING ANNUAL INCREASES IN ASSESSMENT OF ALL TAXABLE PROPERTY; AND LIMITING ALL LEVELS OF ARIZONA GOVERNMENT IN THEIR AUTHORITY TO RAISE ANY OTHER TAXES WITHOUT A TWO-THIRDS MAJORITY CONSENT OF THE PEOPLE OR THEIR REPRESENTATIVES; AND AMENDING ARTICLE IX, CONSTITUTION OF ARIZONA, BY ADDING SECTION 18.

TEXT OF PROPOSED AMENDMENT

SECTION 18. LIMITATION ON TAXATION; VALUATIONS OF PROPERTY; ENACTMENT OF STATE AND LOCAL TAXES.

(1) The maximum aggregate amount of all State and local ad valorem taxes on all taxable property, or payments in lieu of taxes, shall not exceed one percent (1%) of the full cash value of any such property. The one percent (1%) tax to be collected by the Counties and apportioned according to law to the jurisdictions within the Counties. The limitation provided for in this subsection shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any indebtedness approved by the voters prior to the time this section becomes effective.

(2) As used in this Section, the "full cash value" means the full cash value of all taxable property determined for the 1975 assessment roll; or thereafter, the appraised value of all taxable property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. All taxable property not already valued to the 1975 tax levels may be revalued to reflect that valuation. The full cash value base may reflect from, year to year, the inflationary rate, not to exceed two percent (2%) for any given year, or a reduction, as shown in the Consumer Price Index or comparable data for the area under taxing jurisdiction.

(3) From and after the effective date of this Amendment, any changes in State taxation enacted for the purpose of increasing revenues collected pursuant thereto, whether by increased rates or changes in methods of computation, must be imposed by an act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, except that no new ad valorem taxes on taxable property, or sales or transaction taxes on the sales of taxable property, may be imposed.

(4) Cities, Counties and Special Districts may, by a two-thirds vote of the registered voting electors of such jurisdiction, impose special taxes within such jurisdiction, except new ad valorem taxes on taxable property, transaction taxes, or sales taxes on sale of taxable property within such City, County, or Special District.

(5) This Section shall take effect for the tax year beginning on January 1 following the passage of this Amendment, and each year thereafter, except subsection (3) which shall become effective upon the passage of this Amendment.

(6) If any Subsection, part, clause, or phrase hereof is, for any reason, held to be invalid or unconstitutional, the remaining components shall not be affected, but will remain in full force and effect.

ARGUMENT "FOR" PROPOSITION 106

We taxpayers have a golden opportunity to cut the size, scope and spending habits of government by passing Proposition 106, which is similar to California's Proposition 13.

Those who enjoy spending our tax dollars will argue that government in Arizona cannot stand a tax cut of \$400 million and these prophets of doom will make dire predictions but the actual facts belie their false propaganda.

Comparing Arizona with the other 49 states, the most recent statistics (fiscal year 1978) published by the Bureau of the Census show that:

- *Only 6 other states impose higher state and local taxes as a share of personal income
- *Only 7 other states employ more state and local public employees per capita
- *Only 11 other states impose higher state and local property taxes as a share of personal income
- *Only 6 other states employ more educational employees per capita

Despite the fact that Arizona ranks only 29th in per capita income, only 9 other states pay higher average salaries to their state and local public employees. Proposition 106 has been called a meat ax approach but in light of these facts about government spending in Arizona, a meat ax is desperately needed.

The opponents of Proposition 106 — primarily politicians and militant public employee unions — shudder at the thought of reducing taxes. There are many concerned Arizonans, however, who are literally sick and tired of seeing government go on its merry way, while many of their fellow citizens have to sacrifice simply to make ends meet.

To cut down the size of government and to reduce taxes, it is urgent that Proposition 106 be passed. Please join me in voting "YES".

STATE REPRESENTATIVE JIM SKELLY

ARGUMENT "AGAINST" PROPOSITION 106

If Proposition 106's aim is to control government, it has missed the target for three reasons.

The first reason is that the initiative is primarily directed at the property tax. Income and sales taxes aren't so severely limited that they couldn't be increased to replace property tax losses. Besides, conservatives have long argued that the property tax is the best tax — it's highly visible and when paid, the taxpayer knows the true cost of government. Therefore, officials are especially cautious in setting property tax rates.

Secondly, the property tax is mainly used by local governments — the level of government people widely regard as being the most responsive to their concerns and over which they exercise the most control. The proposition may to a large extent end local control of local government. This happened in California. Schools are now totally dependent on the state for funding with little leeway allowed for local school boards. Similarly, counties and cities receiving state aid have had to accept state control, wielded by state bureaucrats. Voters no longer have discretion in the amount of property taxes levied by their local governments.

Finally, Proposition 106 has missed the target in controlling government because it's misdirected: it's not designed to control spending — the ultimate villain; and it doesn't apply to the worst offender — the federal government.

In fact, the federal government will be better off if Proposition 106 passes. Lower property taxes mean a smaller deduction on federal income tax returns, and consequently mean higher federal income taxes. In California the federal government increased income tax collections \$1.5 billion as a direct result of Proposition 13.

The way to control government is to control spending. Proposition 106 does not do this.

Dennis Mitchem
Concerned Citizen

ARGUMENT "AGAINST" PROPOSITION 106

Arizona has been the destination for many families because of the family-oriented, high-quality lifestyle found throughout the state. The lifestyle, built upon a careful balance of private services and public services, is likely to be damaged by the imposition of Proposition 106.

Proposition 106 is estimated to result in a loss of nearly 50% of non-bond property tax revenues in Arizona. Because the special legislative session eliminated surplus revenues and the ability to generate "surplus revenue," the passage of Proposition 106 will force school districts, cities and counties in Arizona to immediately and drastically cut services.

Although police and fire protection may be the last services to suffer cutbacks, services such as bridge building, street improvements, extracurricular sports and school activities, services for the elderly and the handicapped, and parks, recreation and libraries will likely suffer. Other crucial Arizona services such as the Central Arizona Project are also threatened.

Also, because of the virtual cessation of public facility construction in California after passage of its Proposition 13, and in view of the continued dramatic population growth which will continue in Arizona, the spectre of double-session schools and a general decrease in lifestyle for Arizona families looms large.

The legislature in its special session intended to preserve the Arizona lifestyle by preserving most existing services and yet prevent future uncontrolled government expansion.

In contrast, Proposition 106 will alter the Arizona lifestyle which many families came to Arizona to enjoy.

L.R. Galst
President, Arizona Association of
REALTORS®

ARGUMENT "AGAINST" PROPOSITION 106

STATEMENT ON PROPOSITION 106

Under Proposition 106 a one percent tax will be levied on everyone — rural and urban taxpayers alike. I, as Mayor of the town of Taylor, feel this is unfair to the residents of small communities. My town, like others, currently levies no property tax; nonetheless, under Proposition 106 a one percent tax will be paid by its residents.

The one percent statewide levy will be divided among the state, counties, school districts, cities and special districts by some yet undetermined formula. Larger metropolitan areas have greater needs than small cities such as Taylor because of the higher level of services provided. Large city residents have sophisticated and expensive paramedics, fire departments, and police forces. Public transportation, which is such a major part of urban public services, is nonexistent in many of our rural regions. Large city sewer lines become septic tanks in small communities and paved streets are likely to be graded roads in smaller towns.

Obviously, identical tax burdens for urban versus town and rural dwellers do not bring the same public services. It is probable the share of the levy returned to small communities will be less than that paid by its residents. After three years, California is still trying to find a totally acceptable distribution system for its one percent levy. Therefore, there is no reason to assume Arizona will and towns like Taylor, with no prior tax, are likely to receive less than the amount they pay.

Taxing small communities at the same level as Phoenix and Tucson is unfair, especially in view of the fact that some communities have not had a town property tax levied and do not need to do so to provide the needed services to their residents.

LeRoy A. Palmer
Mayor of Taylor

ARGUMENT "AGAINST" PROPOSITION 106

STATEMENT ON PROPOSITION 106

Under Proposition 106 houses built or sold since 1975 will be taxed at their current selling prices. New residents of Casa Grande or citizens who have purchased a home since 1975 will have higher property taxes than those who have owned their residences for more than five years.

Proposition 106 will cause inequities in the taxes of neighboring residents as existing homes are sold and resold. With each sale the value of the property for tax purposes will increase up to the new selling price. Families seeking to improve the quality of their homes will be penalized with higher tax bills than their neighbors.

In our community we have experienced significant growth in population since 1975. The new residents need homes but under this initiative it will be increasingly difficult for newcomers to afford new homes. Added to rising construction costs will be growing tax bills. Young people just starting out will find purchasing their first home particularly burdensome.

In addition, without sufficient tax revenues from new property, our city will have to take a hard look at whether or not we want development. We may be forced to charge development fees and other special fees on new construction, plus special assessments may have to be imposed on existing citizens to fund police and fire protection and other city services for new developments now funded out of property taxes.

Small cities like Casa Grande facing rapid growth are unique. Proposition 106 causes inequitable tax treatment for our citizens compared to cities and towns which are experiencing fewer new residents and less development. Therefore, I oppose its adoption.

Hugh Guinn
Mayor of Casa Grande

ARGUMENT "AGAINST" PROPOSITION 106

Proposition 106 is intended to hold down property taxes on all types of property. However, by operation, Proposition 106 may result in an increase in property taxes to many homeowners. The proposition will require all properties to be taxed at 1% plus levies for bonds, a higher level than many homeowners are currently facing.

Although Proposition 106 initially limits property values for taxation purposes on all property, the proposition also provides that upon the sale of property, it can be revalued to its full value at the time of its sale. This will result in burdensome increases for a family who wants to move to a new house or to a house in a different location. A family hoping to move to a new or different house will not only have to plan for a higher house payment, but will have to budget for significant increases in tax payments as well. Increased tax considerations for potential homeowners may also hurt the marketability and therefore the investment of a person's home.

Finally, although property taxes in some cases are limited by the terms of Proposition 106, the use of special assessments against property as a means to raise funds for streets, curbs, sidewalks, street lighting and other public projects is not limited and is likely to increase dramatically. In contrast to property taxes, special assessments are often required to be paid "up front", and unlike property taxes, are not deductible from federal and state income taxes.

John D. Driggs

PROPOSITION 200

OFFICIAL TITLE

PROPOSED BY INITIATIVE PETITION

AN INITIATIVE MEASURE RELATING TO AMUSEMENTS AND SPORTS; PROVIDING FOR A STATE LOTTERY; PROVIDING FOR AN ARIZONA STATE LOTTERY COMMISSION AND AN EXECUTIVE DIRECTOR AND PRESCRIBING POWERS AND DUTIES; PROVIDING FOR LICENSING OF AGENTS; PROVIDING FOR DISTRIBUTION OF REVENUE; PROHIBITING CERTAIN CONDUCT AND PRESCRIBING PENALTIES; AMENDING TITLE 5, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 5, ARTICLE 1; AMENDING SECTION 13-3304, ARIZONA REVISED STATUTES; AMENDING TITLE 42, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-1312.03; AMENDING TITLE 43, ARIZONA REVISED STATUTES, BY ADDING SECTION 43-1022.01; AND MAKING AN APPROPRIATION.

TEXT OF INITIATIVE

Be it enacted by the People of the State of Arizona:

Section 1. Title 5, Arizona Revised Statutes, is amended by adding chapter 5, article 1, to read:

5-501. Title.

THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "ARIZONA STATE LOTTERY ACT."

5-502. Definitions.

AS USED IN THIS ACT:

- (1) "COMMISSION" MEANS THE ARIZONA STATE LOTTERY COMMISSION CREATED BY THIS ARTICLE.
- (2) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE ARIZONA STATE LOTTERY COMMISSION.
- (3) "LOTTERY" OR "STATE LOTTERY" MEANS THE LOTTERY CREATED AND OPERATED PURSUANT TO THIS ARTICLE.

5-503. Arizona State Lottery Commission; membership; appointment; term; chairman; removal; reimbursement of expenses.

A. THERE IS ESTABLISHED THE ARIZONA STATE LOTTERY COMMISSION WHICH SHALL CONSIST OF FIVE MEMBERS, ALL OF WHOM SHALL BE CITIZENS AND RESIDENTS OF THIS STATE AND ALL OF WHOM SHALL BE APPOINTED BY THE GOVERNOR PURSUANT TO SECTION 38-211. NO MORE THAN THREE MEMBERS SHALL BE MEMBERS OF THE SAME POLITICAL PARTY. THE MEMBERS SHALL BE APPOINTED FOR TERMS OF FIVE YEARS, EXCEPT THAT OF THE MEMBERS FIRST APPOINTED, ONE SHALL BE APPOINTED FOR A TERM OF ONE YEAR, ONE FOR A TERM OF TWO YEARS, ONE FOR A TERM OF THREE YEARS, ONE FOR A TERM OF FOUR YEARS AND ONE FOR A TERM OF FIVE YEARS, COMMENCING AS OF THE DATE OF THEIR APPOINTMENT BY THE GOVERNOR. SUCH APPOINTMENTS SHALL BE MADE WITHIN THIRTY DAYS OF THE EFFECTIVE DATE OF THIS ARTICLE. THE TERM OF EACH OF THE MEMBERS FIRST APPOINTED SHALL BE DESIGNATED BY THE GOVERNOR. THE MEMBERS SHALL, ANNUALLY, ELECT ONE OF THE MEMBERS TO SERVE AS CHAIRMAN OF THE COMMISSION.

B. NOT FEWER THAN 2 MEMBERS OF THE COMMISSION SHALL HAVE AT LEAST 5 YEARS OF EXPERIENCE IN THE FIELD OF LAW ENFORCEMENT.

C. NOT FEWER THAN ONE MEMBER OF THE COMMISSION SHALL HAVE AT LEAST 5 YEARS OF EXPERIENCE AS A CERTIFIED PUBLIC ACCOUNTANT.

D. ANY MEMBER OF THE COMMISSION MAY BE REMOVED FROM OFFICE BY THE GOVERNOR, FOR CAUSE, UPON NOTICE AND OPPORTUNITY TO BE HEARD AT A PUBLIC HEARING.

E. MEMBERS OF THE COMMISSION SHALL RECEIVE COMPENSATION PURSUANT TO SECTION 38-611.

Proposition 200

F. THE COMMISSION SHALL HOLD AT LEAST ONE MEETING EACH QUARTER.

G. NO MEMBER OF THE COMMISSION SHALL HAVE A PECUNIARY INTEREST IN ANY CONTRACT OR AGREEMENT ENTERED INTO BY THE COMMISSION.

H. NO ACTION OF THE COMMISSION SHALL BE BINDING UNLESS TAKEN AT A MEETING AT WHICH AT LEAST THREE OF THE MEMBERS ARE PRESENT AND SHALL VOTE IN FAVOR THEREOF.

5-504. Executive director; appointment.

A. THE LOTTERY SHALL BE UNDER THE IMMEDIATE SUPERVISION AND DIRECTION OF AN EXECUTIVE DIRECTOR, WHO SHALL BE A PERSON QUALIFIED BY TRAINING AND EXPERIENCE TO DIRECT THE WORK OF SUCH LOTTERY. THE DIRECTOR SHALL BE APPOINTED BY THE GOVERNOR WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS ARTICLE, PURSUANT TO SECTION 38-211 AND SHALL SERVE AT THE PLEASURE OF THE GOVERNOR.

B. THE DIRECTOR SHALL DEVOTE HIS ENTIRE TIME AND ATTENTION TO THE DUTIES OF HIS OFFICE AND SHALL NOT BE ENGAGED IN ANY OTHER PROFESSION OR OCCUPATION. COMPENSATION OF THE DIRECTOR SHALL BE PURSUANT TO SECTION 38-611.

5-505. Powers and duties of the Commission.

THE COMMISSION SHALL:

A. MEET WITH THE DIRECTOR NOT LESS THAN ONCE EACH QUARTER TO MAKE RECOMMENDATIONS AND SET POLICY, TO APPROVE OR REJECT REPORTS OF THE DIRECTOR AND TO TRANSACT OTHER BUSINESS THAT MAY BE PROPERLY BROUGHT BEFORE THE COMMISSION.

B. INITIATE, ESTABLISH AND OPERATE A STATE LOTTERY AT THE EARLIEST FEASIBLE AND PRACTICAL TIME. THE LOTTERY SHALL PRODUCE THE MAXIMUM AMOUNT OF NET REVENUE CONSONANT WITH THE DIGNITY OF THE STATE. IN ORDER TO ACHIEVE THESE ENDS, THE COMMISSION SHALL AUTHORIZE THE DIRECTOR TO PROPOSE RULES IN ACCORDANCE WITH AND SUBJECT TO TITLE 41, CHAPTER 6, ARTICLE 1 OF ARIZONA REVISED STATUTES, AS AMENDED. THE RULES MAY INCLUDE, WITHOUT LIMITATION, THE FOLLOWING:

(1) THE TYPES OF LOTTERY GAMES TO BE CONDUCTED; PROVIDED, HOWEVER:

(a) THAT IN ANY GAME UTILIZING TICKETS OR OTHER TANGIBLE EVIDENCE OF PARTICIPATION, EACH TICKET IN THE GAME SHALL BEAR A UNIQUE CONSECUTIVE SERIAL NUMBER DISTINGUISHING IT FROM EACH OTHER TICKET IN THE GAME, AND EACH LOTTERY NUMBER OR SYMBOL SHALL BE ACCOMPANIED BY A CONFIRMING CAPTION CONSISTING OF A REPETITION OF A SYMBOL OR A DESCRIPTION OF THE SYMBOL IN WORDS; AND (b) NO GAME USING THE THEME OF BINGO SHALL BE CONDUCTED.

(2) THE PRICE OR PRICES OF TICKETS OR SHARES IN THE LOTTERY, INCLUDING, WITHOUT LIMITATION, AUTHORIZATION OF SALES OF TICKETS OR SHARES AT A DISCOUNT FOR PROMOTIONAL PURPOSES.

(3) THE NUMBER AND SIZE OF THE PRIZES ON THE WINNING TICKETS OR SHARES, INCLUDING, WITHOUT LIMITATION, PRIZES OF FREE TICKETS IN LOTTERY GAMES CONDUCTED BY THE COMMISSION AND MERCHANDISE PRIZES; PROVIDED, HOWEVER, THAT THE COMMISSION SHALL MAINTAIN AND MAKE AVAILABLE FOR PUBLIC INSPECTION AT ITS OFFICES DURING REGULAR BUSINESS HOURS A DETAILED LISTING OF THE ESTIMATED NUMBER OF PRIZES OF EACH PARTICULAR DENOMINATION THAT ARE EXPECTED TO BE AWARDED IN ANY GAME THAT IS ON SALE, AND, AFTER THE END OF THE CLAIM PERIOD PRESCRIBED BY SECTION 5-519 HEREINBELOW, SHALL MAINTAIN AND MAKE AVAILABLE A LISTING OF THE TOTAL NUMBER OF TICKETS OR SHARES SOLD IN A GAME AND THE NUMBER OF PRIZES OF EACH PARTICULAR DENOMINATION WHICH WERE AWARDED.

(4) THE METHOD OF SELECTING THE WINNING TICKETS OR SHARES; PROVIDED, HOWEVER, THAT NO METHOD SHALL BE USED WHICH, IN WHOLE OR IN PART, DEPENDS ON THE RESULTS OF A DOG RACE OR HORSE RACE.

(5) THE MANNER OF PAYMENT OF PRIZES TO THE HOLDERS OF WINNING TICKETS OR SHARES, INCLUDING, WITHOUT LIMITATION, PROVIDING FOR PAYMENT BY THE PURCHASE OF ANNUITIES IN THE CASE OF PRIZES PAYABLE IN INSTALLMENTS; PROVIDED, HOWEVER, THAT THE COMMISSION STAFF SHALL EXAMINE CLAIMS AND SHALL NOT PAY ANY PRIZE IN RESPECT OF ALTERED, STOLEN, OR COUNTERFEIT TICKETS NOR IN RESPECT OF TICKETS WHICH FAIL TO MEET VALIDATION RULES ESTABLISHED FOR A PARTICULAR LOTTERY GAME, INCLUDING RULES STATED ON THE TICKET OR IN THE PUBLISHED GAME RULES, AND CONFIDENTIAL VALIDATION TESTS CONSISTENTLY APPLIED BY THE COMMISSION; PROVIDED FURTHER, HOWEVER, THAT IN NO EVENT SHALL ANY PARTICULAR PRIZE BE PAID MORE THAN ONCE AND, IN THE EVENT OF A BINDING DETERMINATION THAT MORE THAN ONE PERSON IS ENTITLED TO A PARTICULAR PRIZE, THEN THE SOLE REMEDY OF THE CLAIMANTS SHALL BE THE AWARD TO EACH OF THEM OF AN EQUAL SHARE IN THE SINGLE PRIZE.

(6) PROVISION FOR THE PAYMENT OF PRIZES UP TO \$100 DIRECTLY BY LICENSED AGENTS.

(7) THE FREQUENCY OF THE DRAWINGS, IF ANY, OR OTHER SELECTIONS OF WINNING TICKETS OR SHARES; PROVIDED, HOWEVER, THAT ANY SUCH DRAWINGS SHALL BE HELD IN PUBLIC, THE ACTUAL SELECTION OF WINNING TICKETS OR SHARES SHALL NOT BE PERFORMED BY AN EMPLOYEE OR MEMBER OF THE COMMISSION, AND ALL SUCH DRAWINGS SHALL BE WITNESSED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT; PROVIDED, HOWEVER, THAT DRAWINGS IN A GIVEN GAME (OTHER THAN GRAND DRAWINGS OR OTHER RUNOFF DRAWINGS) SHALL NOT BE HELD MORE OFTEN THAN WEEKLY.

(8) REQUIREMENTS FOR ELIGIBILITY FOR PARTICIPATION IN GRAND DRAWINGS OR OTHER RUNOFF DRAWINGS, INCLUDING, WITHOUT LIMITATION, REQUIREMENTS FOR SUBMISSION OF EVIDENCE OF ELIGIBILITY WITHIN A PERIOD LESS THAN THAT PROVIDED FOR CLAIMS BY SECTION 5-519 HEREINBELOW.

(9) WITHOUT LIMIT AS TO NUMBER OR TYPES, THE LOCATIONS AT WHICH TICKETS OR SHARE MAY BE SOLD.

(10) THE METHOD TO BE USED IN PRINTING AND SELLING TICKETS OR SHARES, EXCEPT THAT NO ELECTED OFFICIAL'S NAME SHALL BE PRINTED ON SUCH TICKETS OR SHARES; PROVIDED, HOWEVER, THAT THE OVERALL ESTIMATED ODDS OF WINNING SOME PRIZE OR SOME CASH PRIZE AS APPROPRIATE IN A GIVEN GAME SHALL BE PRINTED ON EACH TICKET OR SHARE.

(11) THE LICENSING OF AGENTS TO SELL TICKETS OR SHARES; PROVIDED, HOWEVER, THAT A PERSON UNDER THE AGE OF 18 SHALL NOT BE LICENSED AS AN AGENT.

(12) THE MANNER AND AMOUNT OF COMPENSATION TO BE PAID LICENSED SALES AGENTS NECESSARY TO PROVIDE FOR THE ADEQUATE AVAILABILITY OF TICKETS OR SHARES TO PROSPECTIVE BUYERS AND FOR THE CONVENIENCE OF THE PUBLIC, INCLUDING, WITHOUT LIMITATION, PROVISION FOR VARIABLE COMPENSATION BASED ON SALES VOLUME OR INCENTIVE CONSIDERATIONS.

(13) SUCH OTHER MATTERS NECESSARY OR DESIRABLE FOR THE EFFICIENT AND ECONOMICAL OPERATION AND ADMINISTRATION OF THE LOTTERY AND FOR THE CONVENIENCE OF THE PURCHASERS OF TICKETS OR SHARES AND THE HOLDERS OF WINNING TICKETS OR SHARES.

5-506. Apportionment of revenue.

A. SUBJECT TO THE PROVISIONS OF PARAGRAPH B OF THIS SECTION, THE COMMISSION, OR THE DIRECTOR IF SO AUTHORIZED BY THE COMMISSION, SHALL APPORTION THE TOTAL ANNUAL REVENUES ACCRUING FROM THE SALE OF LOTTERY TICKETS OR SHARES AND FROM ALL OTHER SOURCES FOR THE PAYMENT OF PRIZES TO THE HOLDERS OF WINNING TICKETS OR SHARES AMONG THE FOLLOWING: (1) THE PAYMENT OF COSTS INCURRED IN THE OPERATION AND ADMINISTRATION OF THE LOTTERY, INCLUDING THE EXPENSES OF THE COMMISSION AND THE COSTS RESULTING FROM ANY CONTRACT OR CONTRACTS ENTERED INTO FOR CONSULTING OR OPERATIONAL SERVICES, OR FOR PROMOTIONAL AND ADVERTISING SERVICES (WHICH IN THE CASE OF PROMOTIONAL OR ADVERTISING SERVICES SHALL, IN NO EVENT, BE LESS THAN 4% OF THE TOTAL ANNUAL GROSS REVENUE OF THE LOTTERY); (2) INDEPENDENT AUDITS WHICH SHALL BE PERFORMED ANNUALLY IN ADDITION TO THE AUDITS REQUIRED BY SECTION 5-525; (3) INCENTIVE PROGRAMS FOR LOTTERY SALES AGENTS AND LOT-

TERY EMPLOYEES; (4) PAYMENT OF COMPENSATION TO LICENSED SALES AGENTS NECESSARY TO PROVIDE FOR THE ADEQUATE AVAILABILITY OF TICKETS OR SERVICES TO PROSPECTIVE BUYERS AND FOR THE CONVENIENCE OF THE PUBLIC; (5) THE PAYMENT OF REASONABLE FEES TO DISTRIBUTION AGENCIES AS AUTHORIZED BY SECTION 5-520; (6) THE PURCHASE OR LEASE OF LOTTERY EQUIPMENT, TICKETS AND MATERIALS; (7) THE REPAYMENT OF THE MONIES APPROPRIATED TO THE STATE LOTTERY COMMISSION; (8) TRANSFER TO THE STATE GENERAL FUND.

B. AS NEARLY AS IS PRACTICABLE, 45% OF THE TOTAL ANNUAL REVENUE (SAID 45% TO BE COMPUTED ON A YEAR-ROUND AVERAGE BASIS FOR EACH TYPE OF LOTTERY GAME) ACCRUING FROM THE SALE OF LOTTERY TICKETS OR SHARES SHALL BE APPORTIONED FOR PAYMENT OF PRIZES TO THE HOLDERS OF WINNING TICKETS OR SHARES; PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THE PRIZES PAID OUT IN A PARTICULAR LOTTERY GAME EXCEED THE ACTUAL TOTAL REVENUE FROM SALES OF SAID GAME; PROVIDED FURTHER, HOWEVER, THAT NOT LESS THAN 30% OF THE TOTAL REVENUES ACCRUING FROM THE SALE OF LOTTERY TICKETS OR SHARES SHALL BE APPORTIONED FOR TRANSFER TO THE STATE GENERAL FUND.

5-507. Power and duties of the director.

IN ADDITION TO OTHER POWERS AND DUTIES PROVIDED FOR HEREIN, THE DIRECTOR SHALL:

A. SUPERVISE AND ADMINISTER THE OPERATION OF THE LOTTERY IN ACCORDANCE WITH THIS ARTICLE AND THE RULES, SUBJECT TO THE CONTINUOUS DUTY TO TAKE INTO ACCOUNT THE PARTICULARLY SENSITIVE AND RESPONSIBLE NATURE OF THE COMMISSION'S FUNCTIONS.

B. PURSUANT TO THIS ARTICLE AND THE RULES AND REGULATIONS OF THE COMMISSION, LICENSE AS AGENTS TO SELL LOTTERY TICKETS SUCH PERSONS AS HE OR SHE DEEMS WILL BEST SERVE THE PUBLIC CONVENIENCE AND PROMOTE THE SALE OF TICKETS OR SHARES.

C. HIRE SUCH PROFESSIONAL, CLERICAL, TECHNICAL AND ADMINISTRATIVE PERSONNEL AS MAY BE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS ARTICLE. THE DIRECTOR SHALL CONDUCT BACKGROUND CHECKS OF PROSPECTIVE EMPLOYEES, AND, IN ALL EMPLOYMENT DECISIONS, SHALL TAKE INTO ACCOUNT THE PARTICULARLY SENSITIVE AND RESPONSIBLE NATURE OF THE OPERATION OF THE STATE LOTTERY.

D. ACT AS SECRETARY AND EXECUTIVE OFFICER OF THE COMMISSION.

E. CONFER REGULARLY AS NECESSARY OR DESIRABLE AND NOT LESS THAN ONCE EVERY QUARTER WITH THE COMMISSION ON THE OPERATION AND ADMINISTRATION OF THE LOTTERY, MAKE AVAILABLE FOR INSPECTION BY THE COMMISSION, UPON REQUEST, ALL BOOKS, RECORDS, FILES AND OTHER INFORMATION AND DOCUMENTS OF THE COMMISSION, ADVISE THE COMMISSION AND RECOMMEND SUCH MATTERS AS HE OR SHE DEEMS NECESSARY AND ADVISABLE TO IMPROVE THE OPERATION AND ADMINISTRATION OF THE LOTTERY.

F. SUSPEND OR REVOKE ANY LICENSE ISSUED PURSUANT TO THIS ARTICLE OR THE RULES AND REGULATIONS PROMULGATED PURSUANT TO THIS ARTICLE, SUBJECT TO APPEAL TO THE COMMISSION.

5-508. Monthly reports; annual report.

THE DIRECTOR SHALL MAKE A MONTHLY REPORT TO THE COMMISSION, THE GOVERNOR, AND THE LEGISLATURE. THE MONTHLY REPORT SHALL INCLUDE THE TOTAL LOTTERY REVENUE, PRIZE DISBURSEMENTS AND OTHER EXPENSES FOR THE PRECEDING MONTH. THE COMMISSION SHALL MAKE AN ANNUAL REPORT TO THE GOVERNOR AND THE LEGISLATURE. THE ANNUAL REPORT SHALL INCLUDE A FULL AND COMPLETE STATEMENT OF LOTTERY REVENUES, PRIZE DISBURSEMENTS AND OTHER EXPENSES, AND RECOMMENDATIONS FOR CHANGES IN THIS ARTICLE AS THE COMMISSION DEEMS NECESSARY OR DESIRABLE.

5-509. Reports; studies and investigations.

A. THE DIRECTOR SHALL REPORT IMMEDIATELY TO THE GOVERNOR AND THE LEGISLATURE ANY MATTERS THAT REQUIRE IMMEDIATE CHANGES IN THE LAWS OF THIS STATE IN ORDER TO PREVENT ABUSES OR EVASIONS OF THIS ARTICLE OR RULES PROMULGATED HEREUNDER OR TO RECTIFY UNDESIRABLE CONDITIONS IN CONNECTION WITH THE ADMINISTRATION OR OPERATION OF THE LOTTERY.

B. THE DIRECTOR SHALL MAKE A CONTINUOUS STUDY AND INVESTIGATION OF THE LOTTERY:

(1) TO ASCERTAIN ANY DEFECTS IN THIS ARTICLE OR IN THE RULES BY REASON WHEREOF ANY ABUSES IN THE ADMINISTRATION AND OPERATION OF THE LOTTERY OR ANY EVASION OF THIS ARTICLE OR THE RULES MAY ARISE OR BE PRACTICED.

(2) TO FORMULATE RECOMMENDATIONS FOR CHANGES IN THIS ARTICLE.

(3) TO GUARD AGAINST THE USE OF THIS ARTICLE AND THE RULES AS A CLOAK FOR THE CARRYING ON OF ORGANIZED GAMBLING AND CRIME.

(4) TO INSURE THAT THIS ARTICLE AND THE RULES ARE IN A FORM AND ARE ADMINISTERED SO AS TO SERVE THE TRUE PURPOSES OF THIS ARTICLE.

C. THE DIRECTOR SHALL MAKE A CONTINUOUS STUDY AND INVESTIGATION OF THE OPERATION AND THE ADMINISTRATION OF SIMILAR LAWS WHICH MAY BE IN EFFECT IN OTHER STATES OR COUNTRIES, ANY LITERATURE ON THE SUBJECT WHICH MAY BE PUBLISHED OR AVAILABLE, ANY FEDERAL LAWS WHICH MAY AFFECT THE OPERATION OF THE LOTTERY, AND THE REACTION OF CITIZENS TO EXISTING AND POTENTIAL FEATURES OF THE LOTTERY WITH A VIEW TO RECOMMENDING OR EFFECTING CHANGES THAT WILL TEND TO SERVE THE PURPOSES OF THIS ARTICLE.

5-510. Contracts.

NOTWITHSTANDING THE PROVISIONS OF A.R.S. §41-729 AND 41-730, OR ANY OTHER LAW TO THE CONTRARY, THE DIRECTOR MAY DIRECTLY SOLICIT BIDS AND ENTER INTO CONTRACTS FOR THE DESIGN AND OPERATION OF THE LOTTERY OR ANY PART THEREOF, INTO CONTRACTS FOR THE PROMOTION OF THE LOTTERY, AND INTO CONTRACTS TO EFFECTUATE THE PURPOSES OF THIS ARTICLE AND THE RULES. ANY CONTRACT OR CONTRACTS FOR THE DESIGN AND OPERATION OF THE LOTTERY, FOR THE PURCHASE OF LOTTERY EQUIPMENT, TICKETS AND MATERIALS, FOR INDEPENDENT AUDIT SERVICES PURSUANT TO SECTION 5-506(A)(2), OR FOR PROMOTIONAL OR ADVERTISING SERVICES SHALL BE BID AND AWARDED PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 6.1, ARTICLE 1, ARIZONA REVISED STATUTES. ANY OTHER CONTRACTS SUBJECT TO THIS SECTION SHALL BE BID AND AWARDED BY THE DIRECTOR IN A MANNER GENERALLY CONSISTENT WITH THE PROCEDURES AND STANDARDS SET FORTH IN A.R.S. §41-730. ANY AWARD MADE BY THE DIRECTOR SHALL BECOME FULLY EFFECTIVE AND BINDING ON THE COMMISSION UNLESS IT IS REJECTED BY THE COMMISSION AT A MEETING HELD WITHIN FOURTEEN (14) CALENDAR DAYS AFTER THE AWARD IS COMMUNICATED TO THE MEMBERS OF THE COMMISSION. A CONTRACT AWARDED OR ENTERED INTO BY THE DIRECTOR SHALL NOT BE ASSIGNED BY THE HOLDER THEREOF EXCEPT BY SPECIFIC APPROVAL OF THE DIRECTOR. IN ALL AWARDS OF CONTRACTS, THE DIRECTOR SHALL TAKE PARTICULAR ACCOUNT OF THE SENSITIVE AND RESPONSIBLE NATURE OF THE COMMISSION'S FUNCTIONS AND THE PARAMOUNT CONSIDERATIONS OF SECURITY AND INTEGRITY.

5-511. Security and Licensing Division of the Commission.

A. THE ORGANIZATION OF THE STATE LOTTERY COMMISSION SHALL INCLUDE A SECURITY AND LICENSING DIVISION.

B. THE SECURITY AND LICENSING DIVISION SHALL BE UNDER THE SUPERVISION OF AN ASSISTANT DIRECTOR APPOINTED BY THE DIRECTOR AND SUCH ASSISTANT DIRECTOR SHALL HAVE EXPERTISE IN THE FUNCTION OF THE DIVISION AND SHALL HAVE NOT LESS THAN TEN YEARS EXPERIENCE AS A LAW ENFORCEMENT OFFICER.

5-512. Investigation.

THE DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY SHALL ORDER AN INVESTIGATION INTO ANY VIOLATION OF ANY STATE LAW AS IT PERTAINS TO THE CONDUCT OF THE STATE LOTTERY. THE DIRECTOR SHALL INCLUDE IN THE COMMISSION'S OVERHEAD EXPENSES, AND PAY, UPON CERTIFIED INVOICE SUBMITTED BY THE DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY, ANY CHARGES FOR ACTUAL EXPENSES AS A RESULT OF SUCH INVESTIGATION OR THE LAW ENFORCEMENT THEREOF, OR FOR ANY ACTIVITY DIRECTLY OR INDIRECTLY RELATED TO THE LOTTERY OPERATION. SUCH CHARGES MAY INCLUDE, BUT ARE NOT LIMITED TO COSTS FOR PERSONNEL, SUPPLIES, MATERIALS, EQUIPMENT, AND TRAVEL WITHIN OR WITHOUT THE STATE.

5-513. Licenses to sell tickets or shares; conditions.

A. A LICENSE AS AN AGENT TO SELL LOTTERY TICKETS OR SHARES SHALL NOT BE ISSUED TO ANY PERSON TO ENGAGE IN BUSINESS EXCLUSIVELY AS A LOTTERY SALES AGENT. BEFORE ISSUING A LICENSE THE DIRECTOR SHALL CONSIDER FACTORS SUCH AS THE FINANCIAL RESPONSIBILITY AND SECURITY OF THE PERSON AND HIS BUSINESS ACTIVITY, HIS BACKGROUND AND REPUTATION IN THE COMMUNITY, THE ACCESSIBILITY OF HIS PLACE OF BUSINESS OR ACTIVITY TO THE PUBLIC, THE SUFFICIENCY OF EXISTING LICENSES TO SERVE THE PUBLIC CONVENIENCE AND THE VOLUME OF EXPECTED SALES.

B. AS USED IN THIS SECTION "PERSON" MEANS AN INDIVIDUAL, ASSOCIATION, CORPORATION, CLUB, TRUST, ESTATE, SOCIETY, COMPANY, JOINT STOCK COMPANY, RECEIVER, TRUSTEE, REFEREE, ANY OTHER PERSON ACTING IN A FIDUCIARY OR REPRESENTATIVE CAPACITY WHO IS APPOINTED BY A COURT, OR ANY COMBINATION OF INDIVIDUALS. PERSON INCLUDES ANY DEPARTMENT, COMMISSION, AGENCY OR INSTRUMENTALITY OF THE STATE, INCLUDING ANY COUNTY, CITY, VILLAGE OR TOWNSHIP AND ANY AGENCY OR INSTRUMENTALITY THEREOF.

C. A PERSON LAWFULLY ENGAGED IN NONGOVERNMENTAL BUSINESS ON STATE PROPERTY MAY BE LICENSED AS A LOTTERY SALES AGENT.

D. A LICENSE IS NOT ASSIGNABLE OR TRANSFERRABLE.

E. A LICENSED AGENT OR HIS EMPLOYEE MAY SELL LOTTERY TICKETS OR SHARES ONLY ON THE PREMISES STATED IN THE LICENSE OF THE AGENT.

F. THE DIRECTOR MAY ISSUE TEMPORARY LICENSES UPON CONDITIONS AS HE DEEMS NECESSARY FOR A TERM WHICH SHALL NOT EXTEND BEYOND 1 YEAR AFTER THE EFFECTIVE DATE OF THIS ARTICLE.

G. THE DIRECTOR MAY PURCHASE A BLANKET BOND COVERING THE ACTIVITIES OF LICENSED AGENTS.

H. A LICENSED AGENT SHALL DISPLAY HIS LICENSE OR A COPY THEREOF CONSPICUOUSLY IN ACCORDANCE WITH THE RULES.

5-514. Right to prize not assignable; exceptions.

THE RIGHT OF ANY PERSON TO A PRIZE IS NOT ASSIGNABLE, EXCEPT THAT PAYMENT OF ANY PRIZE DRAWN (OR THE REMAINDER OF ANY ANNUITY PURCHASED) MAY BE PAID TO THE ESTATE OF A DECEASED PRIZE WINNER OR TO A PERSON PURSUANT TO AN APPROPRIATE JUDICIAL ORDER. THE COMMISSION AND DIRECTOR SHALL BE DISCHARGED OF ALL FURTHER LIABILITY UPON PAYMENT OF A PRIZE PURSUANT TO THIS SECTION.

5-515. Sale at unauthorized price or by unauthorized persons; penalty.

A. A PERSON SHALL NOT SELL A TICKET OR SHARE AT A PRICE GREATER THAN THAT FIXED BY RULE. A PERSON OTHER THAN A LICENSED LOTTERY SALES AGENT OF ANY EMPLOYEE OF SUCH AGENT ACTING WITHIN THE SCOPE OF HIS EMPLOYMENT SHALL NOT SELL LOTTERY TICKETS OR SHARES. THIS SECTION SHALL NOT BE CONSTRUED TO PREVENT A PERSON FROM GIVING LOTTERY TICKETS OR SHARES TO ANOTHER AS A GIFT.

B. A PERSON VIOLATING THIS SECTION IS GUILTY OF CLASS 1 MISDEMEANOR.

5-516. Sale to person under 18 years of age; penalty.

A TICKET OR SHARE SHALL NOT BE SOLD TO ANY PERSON UNDER THE AGE OF 18. THIS DOES NOT PROHIBIT THE PURCHASE OF A TICKET OR SHARE FOR THE PURPOSE OF MAKING A GIFT BY A PERSON 18 YEARS OF AGE OR OLDER TO A PERSON LESS THAN 18. A LICENSEE WHO KNOWINGLY SELLS OR OFFERS TO SELL A LOTTERY TICKET OR SHARE TO A PERSON UNDER THE AGE OF 18 IS GUILTY OF A CLASS 1 MISDEMEANOR.

5-517. Alteration of lottery tickets; penalty.

ANY PERSON, WHO, WITH INTENT TO DEFRAUD, SHALL FALSELY MAKE, ALTER, FORGE, UTTER, PASS OR COUNTERFEIT A STATE LOTTERY TICKET OR SHARE IS GUILTY OF A CLASS 3 FELONY.

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5-518. Purchase of tickets and receipt of prizes by certain persons prohibited.

A TICKET OR SHARE SHALL NOT BE PURCHASED BY AND A PRIZE SHALL NOT BE PAID TO AN OFFICER OR EMPLOYEE OF THE COMMISSION OR ANY OF ITS CONTRACTORS OR SUBCONTRACTORS, OR TO ANY SPOUSE, CHILD, BROTHER, SISTER OR PARENT RESIDING AS A MEMBER OF THE SAME HOUSEHOLD IN THE PRINCIPAL PLACE OF ABODE OF SUCH OFFICER OR EMPLOYEE.

5-519. Disposition of unclaimed prize money.

UNCLAIMED PRIZE MONEY FOR THE PRIZE ON A WINNING TICKET OR SHARE SHALL BE RETAINED FOR THE PERSON ENTITLED THERETO FOR 180 DAYS AFTER THE DRAWING IN WHICH THE PRIZE WAS WON IN THE CASE OF A DRAWING PRIZE AND FOR 180 DAYS AFTER THE ANNOUNCED END OF THE GAME IN QUESTION IN THE CASE OF A PRIZE DETERMINED IN ANY MANNER OTHER THAN BY MEANS OF A DRAWING. IF A CLAIM IS NOT MADE FOR THE MONEY WITHIN THE APPLICABLE PERIOD, THE PRIZE MONEY SHALL BE HELD IN THE STATE LOTTERY PRIZE FUND FOR USE AS ADDITIONAL PRIZES IN FUTURE GAMES.

5-520. Distribution agencies.

THE DIRECTOR MAY MAKE SUCH ARRANGEMENTS FOR DISTRIBUTION AGENCIES TO PERFORM SUCH FUNCTIONS, ACTIVITIES OR SERVICES IN CONNECTION WITH THE OPERATION OF THE LOTTERY AS HE DEEMS ADVISABLE PURSUANT TO THIS ARTICLE AND THE RULES, AND FOR PAYMENT OF REASONABLE FEES FOR SUCH SERVICES. SUCH FUNCTIONS, ACTIVITIES OR SERVICES SHALL CONSTITUTE LAWFUL FUNCTIONS, ACTIVITIES AND SERVICES OF BANKS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS.

5-521. Award of prize to person under eighteen and conditions.

IF THE PERSON ENTITLED TO A PRIZE OR ANY WINNING TICKET IS UNDER THE AGE OF 18 YEARS, AND THE PRIZE IS MORE THAN \$1,000.00, PAYMENT SHALL BE MADE TO THE ORDER OF THE PERSON'S PARENT OR GUARDIAN. IF LESS THAN \$1,000.00, PAYMENT OF THE PRIZE SHALL BE MADE TO THE ADULT MEMBER OF THE MINOR'S FAMILY WHO IS LEGALLY RESPONSIBLE FOR THE CARE AND CUSTODY OF THE MINOR. THE COMMISSION AND DIRECTOR SHALL BE DISCHARGED OF ALL FURTHER LIABILITY UPON PAYMENT OF A PRIZE PURSUANT TO THIS SECTION.

5-522. State Lottery Fund established.

THERE IS ESTABLISHED IN THE OFFICE OF THE STATE TREASURER A SEPARATE FUND, TO BE KNOWN AS THE "STATE LOTTERY FUND". SUCH FUND SHALL CONSIST OF ALL REVENUES RECEIVED FROM THE SALE OF LOTTERY TICKETS OR SHARES, THE FEES, IF ANY, CHARGED PURSUANT TO SECTION 5-505 AND ALL OTHER MONIES CREDITED OR TRANSFERRED FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW, WITH THE EXCEPTION OF THOSE MONIES APPORTIONED FOR PAYMENT OF PRIZES AND DEPOSITED AS PROVIDED IN § 5-524.

5-523. Use of monies in State Lottery Fund.

A. THE MONIES IN THE STATE LOTTERY FUND SHALL BE APPROPRIATED ONLY FOR THE FOLLOWING PURPOSES AND IN THE ORDER PROVIDED:

1. FOR THE EXPENSES OF THE COMMISSION INCURRED IN THE CARRYING OUT OF ITS POWERS AND DUTIES AND IN THE OPERATION OF THE LOTTERY.

2. FOR THE REPAYMENT TO THE GENERAL FUND OF ANY AMOUNT APPROPRIATED TO THE FUND.

B. ALL MONIES REMAINING IN THE STATE LOTTERY FUND AFTER THE APPROPRIATIONS AUTHORIZED IN SUBSECTION A OF THIS SECTION SHALL BE DEPOSITED IN THE STATE GENERAL FUND.

5-524. State Lottery Prize Fund.

THERE IS ESTABLISHED IN THE OFFICE OF THE STATE TREASURER A SEPARATE FUND, TO BE KNOWN AS THE "STATE LOTTERY PRIZE FUND". THAT PORTION OF THE GROSS PROCEEDS WHICH IS APPORTIONED FOR PAYMENT OF PRIZES OR WINNINGS PURSUANT TO §5-506 SHALL BE DEPOSITED DIRECTLY IN THE STATE LOTTERY PRIZE FUND AS THE COMMISSION RECEIVES SUCH PROCEEDS AND SHALL BE AVAILABLE ONLY FOR PAYMENT OF PRIZES TO THE HOLDERS OF WINNING TICKETS OR SHARES. PROCEDURES FOR PAYMENTS TO WINNERS FROM THIS FUND SHALL BE ESTABLISHED BY RULE AND REGULATION BY THE COMMISSION. NOTWITHSTANDING ANY

Proposition 200

PROVISION OF LAW TO THE CONTRARY, INCLUDING, WITHOUT LIMITATION, §35-172, ARIZONA REVISED STATUTES, TRANSFERS OR PAYMENTS TO THE STATE LOTTERY PRIZE FUND, AND PAYMENTS FROM THAT FUND TO HOLDERS OF WINNING TICKETS OR SHARES, SHALL NOT BE DEEMED OR CLASSIFIED TO BE APPROPRIATIONS BY THE LEGISLATURE, AND DEPOSITS IN SAID FUND SHALL NOT BE SUBJECT TO APPROPRIATION BY THE LEGISLATURE.

5-525. Audit of accounts.

THE AUDITOR GENERAL SHALL CONDUCT QUARTERLY POSTAUDITS OF ALL ACCOUNTS AND TRANSACTIONS OF THE COMMISSION AND OTHER SPECIAL POSTAUDITS AS THE LEGISLATURE DEEMS NECESSARY. THE AUDITOR OR HIS AGENT CONDUCTING AN AUDIT UNDER THIS ACT SHALL HAVE ACCESS AND AUTHORITY TO EXAMINE ANY AND ALL RECORDS OF THE COMMISSION, ITS DISTRIBUTING AGENTS AND ITS LICENSEES.

Section 2. Section 13-3304, Arizona Revised Statutes is amended to read:

13-3304. Keeping, maintaining, or carrying on lottery or raffle; exception: classification.

EXCEPT AS PROVIDED IN ARTICLE 1, CHAPTER 5 OF TITLE 5, a person who knowingly keeps, maintains, employs or carries on a lottery, or lottery scheme or device, or raffle, is guilty of a class 2 misdemeanor.

Section 3. Title 42, Chapter 8, Article 1, Arizona Revised Statutes, is amended by adding §42-1312.03 to read:

§42-1312.03. Additional exemption.

IN ADDITION TO ANY OTHER EXEMPTIONS, THE SALE OF LOTTERY TICKETS OR SHARES IN ACCORDANCE WITH THE PROVISIONS OF TITLE 5, CHAPTER 5, ARTICLE 1 SHALL ALSO BE EXEMPT FROM TAXATION UNDER THIS CHAPTER.

Section 4. Title 43, Chapter 10, Article 3, Arizona Revised Statutes, is amended by adding §43-1022.01 to read:

§43-1022.01. Additional subtractions from Arizona gross income.

IN COMPUTING ARIZONA ADJUSTED GROSS INCOME, PRIZES OR WINNINGS FROM ANY OF THE STATE LOTTERIES ESTABLISHED AND OPERATED PURSUANT TO THE PROVISIONS OF ARTICLE 1, CHAPTER 5, OF TITLE 5, SHALL BE SUBTRACTED FROM ARIZONA GROSS INCOME.

Section 5. Appropriation; repayment; exemption.

A. There is appropriated to the State Lottery Fund the sum of One Million Four Hundred Thousand Dollars for the purposes of the Commission in carrying out the provisions of this Act. Such appropriation shall be repaid to the general fund within six months of the initiation of the Commission's sale of tickets or shares to the public from the net revenues accruing in the State Lottery Fund after the payment of expenses of the Commission as provided in Section 5-523.

B. The appropriation made by Subsection A is exempt from the provisions of Section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

ARGUMENT "FOR" PROPOSITION 200

A "yes" vote on Proposition 200 is a vote to reduce taxes.

Net proceeds from an Arizona lottery would flow into the state's General Fund to pay for law enforcement, health services, education, and other vital programs.

Already, fourteen states (comprising approximately 42 percent of the U.S. population) have lotteries. From 1970—1979, net proceeds to those states from lotteries exceeded \$4 billion, on total lottery revenues of about \$9.8 billion.

Arizonans deserve the opportunity to make use of this revenue source which is expected to produce \$25—\$35 million annually.

Proposition 200 was structured and written after careful analysis and meticulous scrutiny of other lottery legislation and operations, to ensure that an Arizona lottery would operate both securely and efficiently.

Among the many safeguards included in Proposition 200 are:

- (1) Experienced law enforcement officials and individuals with accounting expertise must make up a majority of the five-member Lottery Commission. Commissioners, as well as the director of the lottery, will be answerable to the governor and to the state legislature.
- (2) Strict reporting requirements are specified for lottery officials. Independent audits are also required.
- (3) The Department of Public Safety is charged with investigating any violation of the Lottery Act.
- (4) Specific guidelines on matters such as eligibility of winners, prize payments, and types of games allowed must be adhered to.
- (5) Other types of gambling presently prohibited in Arizona will not be permitted.

Proposition 200 seeks to bring the financial benefits from an Arizona State Lottery to our state while helping to hold down taxes. It can accomplish this goal while establishing and maintaining public confidence in a well-run lottery.

Arizona for Tax Reduction urges a "yes" vote on Proposition 200.

William I. Adams
1161 North El Dorado Place
Suite 310
Tucson, Arizona 85715

ARGUMENT "AGAINST" PROPOSITION 200

We encourage your careful scrutiny of Proposition 200 so that you may be an enlightened voter on November 4. We have made a comprehensive study of this issue and want to share our conclusions with you. We firmly believe this proposition should be soundly defeated for the following reasons:

1. The Arizona Legislature, in full partnership with the Attorney General's office and our state-wide law enforcement agencies, has embarked on a campaign to reduce the criminal element in the State of Arizona and retard effects of organized crime in our society. We find the potential results from the enactment of this proposition to be counterproductive to that purpose.

2. It is demeaning to the citizens of the State of Arizona to finance their state government through the legalization of questionable moral practices.

3. The people who can least afford to participate in this type of activity are the most susceptible to its "pie in the sky" promotion. Further erosion of their economic base could have a serious impact on our state welfare demands.

4. It will be necessary to increase the bureaucracy to administer and police these new activities, further bloating the size, scope and cost of state government.

5. The alleged benefits from lottery legalization are not substantial when compared to the total cost of operation and will have a marginal impact on the reduction of statewide taxes.

For the reasons outlined, and because of our personal belief that there is no redeeming social value to be gained from legalization of lottery, we strongly encourage the citizens of this state not only to vote "NO" on Proposition 200, but also to work for its sound defeat.

PETER KAY
State Representative and Chairman,
House Judiciary Committee

TONY WEST
State Representative and Member,
House Judiciary Committee

JOHN U. HAYS
State Representative and Chairman,
House Agriculture Committee

BALLOT FORMAT

<p style="text-align: center;"><u>PROPOSITION 200</u></p> <p><u>OFFICIAL TITLE</u></p> <p style="text-align: center;">PROPOSED BY INITIATIVE PETITION</p> <p>AN INITIATIVE MEASURE RELATING TO AMUSEMENTS AND SPORTS; PROVIDING FOR A STATE LOTTERY; PROVIDING FOR AN ARIZONA STATE LOTTERY COMMISSION AND AN EXECUTIVE DIRECTOR AND PRESCRIBING POWERS AND DUTIES; PROVIDING FOR LICENSING OF AGENTS; PROVIDING FOR DISTRIBUTION OF REVENUE; PROHIBITING CERTAIN CONDUCT AND PRESCRIBING PENALTIES; AMENDING TITLE 5, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 5, ARTICLE 1; AMENDING SECTION 13-3304, ARIZONA REVISED STATUTES; AMENDING TITLE 42, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-1312.03; AMENDING TITLE 43, ARIZONA REVISED STATUTES, BY ADDING SECTION 43-1022.01; AND MAKING AN APPROPRIATION.</p> <hr/> <p><u>DESCRIPTIVE TITLE</u></p> <p>An act proposed by Initiative Petition; amending Arizona Revised Statutes by adding Title 5, Chapter 5, Article 1; amending Section 13-3304, adding Section 42-1312.03, adding Section 43-1022.01 and making an appropriation; establishing a state lottery, lottery commission with director and prescribing powers and duties, licensing, distribution of revenue and prohibiting certain conduct with attendant penalties.</p> <hr/> <p><u>PROPOSITION 200</u></p> <p>A "yes" vote shall have the effect of establishing a state lottery.</p> <p>A "no" vote shall have the effect of not establishing a state lottery.</p>	<p style="text-align: center;">YES</p> <p style="text-align: center;">NO</p>	
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PROPOSITION 300

RECOMMENDATIONS OF THE COMMISSION ON SALARIES FOR ELECTED STATE OFFICERS AS TO LEGISLATIVE SALARIES HAVE BEEN CERTIFIED TO THE SECRETARY OF STATE AND ARE HEREBY SUBMITTED TO THE QUALIFIED ELECTORS FOR THEIR APPROVAL OR REJECTION.

(In compliance with Ariz. Const. art. 5 § 13)

“SHALL THE RECOMMENDATIONS OF THE COMMISSION ON SALARIES FOR ELECTED STATE OFFICERS CONCERNING LEGISLATIVE SALARIES BE ACCEPTED? YES NO.” SUCH RECOMMENDATIONS IF APPROVED BY THE ELECTORS SHALL BECOME EFFECTIVE AT THE BEGINNING OF THE NEXT REGULAR LEGISLATIVE SESSION WITHOUT ANY OTHER AUTHORIZING LEGISLATION.

STATEMENT FROM THE COMMISSION ON SALARIES FOR ELECTED STATE OFFICERS

The salary of legislators has been unchanged for twelve years. The Commission on Salaries, a constitutional body composed of private citizens, has made a recommendation to increase the salary from \$6,000 to \$15,000.

The Commission actively sought recommendations from individuals, organizations and other groups, and held public hearings prior to making its recommendation. The recommendations by those persons and groups were the same — the salary of legislators should be increased.

The Commission believes that the job of being a legislator is worth at least \$15,000. The growth in the state and the growth in the problems which confront the state have required a constantly wider consideration. The increasing demands upon the time of the Legislature are being capably met by its members, however, often at the expense by a legislator of foregoing the active pursuit of another profession.

The rate of inflation upon legislative salaries since 1968 is rapidly putting the legislative job beyond the ability of many people to seek election, then to serve. The proposed increase, in fact, merely maintains the buying power of the legislator at what that salary was worth twelve years ago, before inflation. A salary increase is necessary to attract qualified and motivated individuals who represent the various components of our communities.

The Commission on Salaries has considered the matter carefully and strongly urges a yes vote for the recommended \$15,000 annual salary to become effective January 1981.

Submitted by:

SAM MARDIAN, Chairman
LUCIA FAKONAS, Member
JOHN P. FRANK, Member
ROBERT O. LESHNER, Member
DWIGHT PATTERSON, Member

ARGUMENT "FOR" PROPOSITION 300

The Democratic and Republican parties of the State of Arizona strongly encourage the citizens of Arizona to support and vote for the passage of Proposition 300 on the general election ballot November 4.

The Democratic and Republican parties of Arizona feel that the women and men who serve in the state legislature are entitled to just compensation for the long and arduous hours they devote to the interests of the citizens of our state.

It is absolutely essential to have an adequate salary level for our elected legislators if we are to re-cruit and retain qualified people to serve.

Our legislators have not had a salary increase since 1969. Since that time inflation has escalated 124 percent while legislative salaries in our surrounding states have increased between 75 and 200 percent. The \$15,000 proposed on Proposition 300 is a modest amount when measured against the workload our legislators carry, as well as the tremendous inflationary pressure which has substantially increased their cost of living.

For the above reasons we the Democratic and Republican parties of the State of Arizona jointly encourage the electorate of the State of Arizona to pass Proposition 300.

Samuel P. Goddard, Jr.
Chairman, Arizona
Democratic State Committee

Perry Peters
Executive Director
Arizona Republican Party

ARGUMENT "FOR" PROPOSITION 300

Proposition 300 is a fair proposal.

Legislative salaries have been limited to \$6,000 since 1969. The current proposal represents a reasonable increase and takes into account a decade of inflation. It was developed by a commission of non-partisan, private citizens who studied the issue of legislative pay.

I strongly believe that citizen legislators should continue to serve our state and should not be financially punished for their efforts. Too many good people have left our State Legislature in recent years because the salary is inadequate for the time involved. If we want decent hardworking public officials we must agree to a fair level of compensation.

The Commission's proposal has the support of both political parties as well as leading businessmen for it provides a fair and equitable salary while still adhering to the "citizen legislator" concept.

I strongly urge you to support the passage of Proposition 300.

Bruce Babbitt
Governor

ARGUMENT "FOR" PROPOSITION 300

STATEMENT FROM THE ARIZONA STATE AFL-CIO

During the 1970's, the Arizona State AFL-CIO supported every recommendation made by the Commission on Salaries for elected state officials and have supported every statewide proposition calling for a salary increase.

During the first five years of the 1980's forecasts call for an average of about a 8% inflation increase per year forcing legislator's salaries to fall further behind.

The Arizona State AFL-CIO feels very strongly that State Legislator's salaries in Arizona are vastly too low and out of all relation to reality. We are particularly anxious to see reasonable salaries for the State Legislators because the problems of the state are so large that we need legislators who can give a very large share of their time to the work. This can only be done on a reasonable salary basis.

There is still a larger consideration. The working people of this state do not want to see Arizona in the position in which only a rich man can aspire to the important offices. We believe that democracy requires that opportunity be open to all, and it cannot be open to all if only those with independent wealth can afford either to seek it or hold it.

The Arizona State AFL-CIO believes that all legislators deserve a salary increase NOW!

Darwin Aycock
Secretary-Treasurer
Arizona State AFL-CIO

ARGUMENT "FOR" PROPOSITION 300

WE — THE LEADERS OF THE SOUTHERN ARIZONA BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO — ENDORSE THE PASSAGE OF PROPOSITION 300, THE LEGISLATIVE PAY RAISE MEASURE TO APPEAR ON THE GENERAL ELECTION BALLOT ON NOVEMBER 4, 1980. OUR LEGISLATORS HAVE NOT HAD A PAY RAISE SINCE 1969 WHEN THE CURRENT RATE OF \$6,000 A YEAR WAS SET. OUR LEGISLATORS CAN NOT STRIKE BECAUSE THEY HAVE VOWED TO SERVE US, THE PEOPLE OF ARIZONA. FAR TOO MANY OF THEM HAVE QUIT AND TAKEN THEIR EXPERIENCE AND TALENTS BACK TO PRIVATE ENTERPRISE, DEPRIVING US OF THEIR HARD WORK AND EXPERTISE.

THE LEGISLATIVE SALARY SHOULD BE SUFFICIENT TO ALLOW WORKING MEN AND WOMEN TO TAKE TIME AWAY FROM THEIR LIVELIHOODS TO SERVE IN OUR STATE LEGISLATURE. THIS WOULD INSURE ELECTION OF A MORE QUALIFIED AND MORE REPRESENTATIVE GROUP TO SERVE THE CITIZENRY. INFLATION HAS INCREASED 124 PERCENT SINCE THE \$6,000 RATE WAS SET TWELVE YEARS AGO. CALIFORNIA LEGISLATORS HAVE RECEIVED A 75.7 PERCENT PAY RAISE IN THAT TIME (1969, \$16,000; 1979, \$28,220), WHILE OTHER SOUTHWEST STATES HAVE INCREASED LEGISLATIVE PAY FROM 100 PERCENT TO 200 PERCENT.

THE SUCCESSFUL PASSAGE OF PROPOSITION 300 WOULD CONSTITUTE AN ADDITIONAL ADVANTAGE TO THE RECRUITMENT AND RETENTION OF NON-MARICOPA COUNTY CANDIDATES AND LEGISLATORS WHO MAKE EXTRAORDINARY SACRIFICES, LEAVING THEIR FAMILIES, HOMES AND JOBS TO COME AND SERVE IN THE PHOENIX-BASED LEGISLATURE.

THOUGH WE HAVE NOT ALWAYS AGREED WITH THE ARIZONA LEGISLATURE, THE LEGISLATORS IN THE LAST SESSION WORKED MANY LONG DAYS AND HAVE SUCCESSFULLY GIVEN US LEGISLATION IN THE AREAS OF TAX REFORM, A REVISED GROUNDWATER CODE, AND MUCH NEEDED RESOURCES IN LAW ENFORCEMENT TO REDUCE THE ARIZONA CRIME RATE. FOR THESE AND OTHER POSITIVE REASONS WE, THE LEADERSHIP OF THE SOUTHERN ARIZONA BUILDING AND CONSTRUCTION TRADES COUNCIL, STRONGLY ENDORSE THE PASSAGE OF PROPOSITION 300 AND HEARTILY RECOMMEND THAT YOU VOTE FOR A LIVING WAGE FOR OUR LEGISLATORS.

KIM O. ESTES,
BUSINESS MANAGER
SOUTHERN ARIZONA BUILDING AND CON-
STRUCTION TRADES COUNCIL
AFL-CIO

ARGUMENT "FOR" PROPOSITION 300

ARGUMENT IN SUPPORT OF PROPOSITION 300

A viable representative system of government is essential for the maintenance of our Federal system. The cornerstone of this system is an effective and representative legislative body. Without an efficient and effective legislative process, the State of Arizona will cease to be a meaningful partner in our Federal system.

We believe that it is especially important for Arizona to support a Legislature where average citizens can afford to serve as legislators. It is important to involve persons from all walks of life and economic classes in our State legislative process. Without reasonable compensation, we cannot expect such service from citizens.

The cities and towns of this State support the increase in salary for our legislators as contained in Proposition 300. It is in our interest and yours to have representative and responsive citizen legislators as our State's lawmakers.

Heinz R. Hink, President
Councilman, Scottsdale

Hugh N. Guinn, Vice President
Mayor of Casa Grande

Margaret T. Hance, Treasurer
Mayor of Phoenix

LEAGUE OF ARIZONA CITIES AND TOWNS

ARGUMENT "FOR" PROPOSITION 300

The Tucson Metropolitan Chamber of Commerce endorses Proposition 300. We believe an increase in salary is desirable because:

1. Adequate compensation for work done is basic to the American way of life.
2. Recruitment and retention of qualified men and women should be enhanced if an adequate salary level is established.
3. There has been no salary increase since 1969. Inflationary pressure alone point to the necessity for increased compensation, especially for non-Maricopa County legislators.

Submitted By
Tucson Metropolitan
Chamber of Commerce

ARGUMENTS "FOR" PROPOSITION 300

STATEMENT FROM THE ARIZONA JUDGES' ASSOCIATION ON LEGISLATIVE SALARIES

Arizona legislative salaries have not been increased since 1969. During that period the cost of living has increased approximately 125 percent.

The Commission on Salaries for Elective State Officers held extensive hearings in Tucson and Phoenix regarding the proposed increase in legislative salaries. At the conclusion of these hearings, the Commission recommended that legislative salaries be set at Fifteen Thousand (\$15,000.00) Dollars per year.

The Arizona Judges' Association recommends the passage of Proposition 300 to set legislative salaries at Fifteen Thousand (\$15,000.00) Dollars per year.

The salary level for state legislators should be sufficient to lessen financial sacrifice, but yet ensure that competent citizens are motivated to enter the legislature out of a sense of public service. An adequate salary also ensures the kind of independence which the public has a right to expect of its legislators.

Capable legislators do not really represent an expense or a burden on taxpayers, rather, they represent an investment in honest and efficient government. Well reasoned and supervised legislative programs by capable legislators represent a savings in tax dollars. The Association firmly believes that if the problems encountered by the present inadequate legislative salaries are brought to the attention of the public, acceptance of the Salary Commission's recommendation of Fifteen Thousand (\$15,000.00) Dollars per year will be approved.

The recommended salary of Fifteen Thousand (\$15,000.00) Dollars a year for state legislators represents a benefit for the citizens of the State and the Association urges the support of our fellow citizens in the passage of this proposition.

Submitted By:

ARIZONA JUDGES' ASSOCIATION
Judge James C. Carruth, Pres.

ARGUMENT "FOR" PROPOSITION 300

"Proposition 300 would raise the salary of legislators to \$15,000 annually from the present salary of \$6,000 which has been the annual pay for Arizona legislators since 1969. This means that the officials holding these very important legislative positions have not had an increase in salary for 12 years, a time which has seen the greatest inflationary rise in the nation's history. We believe that the State Salary Commission deliberated diligently before recommending the current increase for state legislators. We support the commission recommendation strongly. It is our belief that elected officials should be paid commensurate with that of appointed officials for several reasons, not the least of which is to attract the very best people in our communities to seek out elected positions to serve the public. We further believe that legislators ought to be adequately compensated for their time and the awesome responsibility they hold as the makers of the laws which govern all of us. We therefore urge the passage of Proposition 300."

Sincerely,

Jay H. Turley
President
Arizona Association of Counties

ARGUMENT "FOR" PROPOSITION 300

STATEMENT FROM THE STATE BAR OF ARIZONA ON LEGISLATIVE SALARIES

Consideration of Arizona legislative salaries should first begin with the realization that they have not been increased since 1969. In that period of time the cost of living has dramatically increased.

It should be noted that salaries for the Executive Branch and Judicial Branch were increased in 1973, 1975 and 1979.

Our state legislators have been kept increasingly busy with not only regular sessions involving highly complex issues, but also active interim study activities and special sessions. They are also required to keep informed about the changing issues of our time and to maintain communications with and provide assistance to local constituents.

Legislative problems are far more difficult to resolve than in the past, in part, because of the nature of our steadily increasing population as well as by the growing complexity of our society. A low legislative salary does not offer the opportunity to all segments of our society to run for office and thus the legislature may not include representatives from a cross-section of our society.

There is no doubt that effective programs are much more likely to result from a legislative body composed of capable and concerned citizens from a cross-section of our society. Arizona voters need to authorize a reasonable salary level for their state legislators to ensure that their best efforts can be brought to bear on the increasingly complex issues of our times.

The State Bar of Arizona has carefully considered Proposition 300 and strongly recommends its passage, increasing legislative salaries to Fifteen Thousand (\$15,000.00) Dollars per year.

Submitted By:

Daniel J. Stoops, President
State Bar of Arizona

ARGUMENT "FOR" PROPOSITION 300

- *In 1980, Arizona Legislators were paid \$6,000.
- *In 1970, the average pay of state legislators throughout the United States was more than \$10,000.
- *Today, Arizona Legislators are paid what the average state legislators throughout the United States were paid in 1965.
- *Since 1970, the cost of living has increased more than 100 percent.
- *Since 1970, Arizona Legislators have not received a penny more than \$6,000.
- *How many of you would maintain your same employment if you had not received a pay increase in 10 years?

Salary levels play an important role in attracting and maintaining competent and motivated employees. We, the citizens of Arizona, should apply this same principal to our state legislators. We **NEED** to maintain and attract competent and motivated legislators.

An appropriate level of compensation will help eliminate the financial barrier to many competent and enthusiastic candidates for legislative office. We, the citizens of Arizona, **NEED** cross-section representation at the state level.

The **Arizona Public Employees' Association** and thousands of Arizona citizens support the proposed \$15,000 per year compensation for state legislators. Wouldn't you agree that anyone who has not received a pay raise in 12 years is long overdue for one?

The **Arizona Public Employees' Association** believes **ALL** taxpayers of Arizona will benefit by upgrading the status, competence and effectiveness of our state legislators when we pass Proposition 300.

Vote "YES" on Proposition 300.

This argument was submitted by the Arizona Public Employees' Association, 420 North 15th Avenue, Phoenix, Arizona, 85007, 252-6501.

Proposition 300

ARGUMENT "FOR" PROPOSITION 300

"Legislative salaries should be raised substantially, to remove a serious obstacle to truly representative government and to treat legislators more fairly. The present salary of \$6,000 per year discourages many persons from running and each term causes several legislators not to run again. Only those who are retired and wealthy, or own a business, or are subsidized by an employer or a particular interest group can afford to serve. Thus certain groups are underrepresented. Legislators, already making large sacrifices in terms of time and family, are forced to make severe financial sacrifices, as well. Higher salaries will right these wrongs.

Submitted by:

COMMON CAUSE/ARIZONA
116 E. Roosevelt St.
Phoenix, Az. 85004"

ARGUMENT "FOR" PROPOSITION 300

As a public employee union we feel that the laborer is indeed worthy of his/her hire. In these times of terrible inflation when society as a whole is having a difficult time making ends meet, who of us can afford to live on the wages we received twelve years ago? Yet this is what is expected of state legislators.

Which ordinary working man or woman can afford to run for a seat in the state legislature? None. Today a legislator must have a supplementary income to survive. And by that very fact a great majority of our population is deprived of universal representation. Four times the voters have refused to approve pay raises for legislators. And while specific lawmakers can be criticized there is no doubt that most of them spend inordinately long hours in session and committee meetings and in consultation with constituents. If the ordinary working person has a complaint against the legislators he has only himself to blame because he refused to pay enough wages to enable his peers to run.

We totally support the statement from the Commission on Salaries for elected officials and hope that our brothers and sisters in labor pass Proposition 300 with an overwhelming "YES".

AFSCME LOCAL 2384

AFSCME LOCAL 2960

AFSCME LOCAL 449

AFSCME LOCAL 1433

AFSCME STATE EMPLOYEES UNION

BALLOT FORMAT

<p style="text-align: center;">PROPOSITION 300</p> <p>RECOMMENDATIONS OF THE COMMISSION ON SALARIES FOR ELECTED STATE OFFICERS AS TO LEGISLATIVE SALARIES HAVE BEEN CERTIFIED TO THE SECRETARY OF STATE AND ARE HEREBY SUBMITTED TO THE QUALIFIED ELECTORS FOR THEIR APPROVAL OR REJECTION.</p> <hr/> <p>DESCRIPTIVE TITLE</p> <p>An increase from the present legislative salary of \$6,000 per annum to \$15,000 per annum as recommended by The Commission on Salaries for Elected State Officers.</p> <hr/> <p>“SHALL THE RECOMMENDATIONS OF THE COMMISSION ON SALARIES FOR ELECTED STATE OFFICERS CONCERNING LEGISLATIVE SALARIES BE ACCEPTED? <input type="checkbox"/> YES <input type="checkbox"/> NO.”</p> <p>SUCH RECOMMENDATIONS IF APPROVED BY THE ELECTORS SHALL BECOME EFFECTIVE AT THE BEGINNING OF THE NEXT REGULAR LEGISLATIVE SESSION WITHOUT ANY OTHER AUTHORIZING LEGISLATION.</p> <p>Current Legislative Salary ----- \$ 6,000 Salary proposed by Salary Commission ----- \$15,000</p> <hr/> <p>PROPOSITION 300</p> <p>A “yes” vote shall have the effect of accepting the recommended salary increase.</p> <p>A “no” vote shall have the effect of no increase in legislative salaries.</p>	<p>YES</p> <p>NO</p>	<p></p> <p></p>
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NOTICE TO VOTERS

1. Anyone who is either physically or visually impaired or **WHO IS UNABLE TO READ** or understand the contents of the ballot may be accompanied into the voting booth by a person of his choice or a representative of each major political party for the purpose of assisting him in casting his ballot.
2. Sample ballots may be brought to the voting place and may be taken into the voting booth on the day of the Election.
3. Any qualified voter who at 7:00 P.M. is in the line of waiting voters shall be allowed to prepare and cast his ballot.

ABSENTEE VOTING INFORMATION

You may vote an Absentee Ballot for this Special Election if you qualify under any of the following conditions:

- | | |
|---|---|
| A. Physically Disabled | D. Absent from the precinct on Election Day. |
| B. 65 years of age or older. | E. The tenets of my religion prevent my attending the polls on the day of the Election. |
| C. Live more than 15 road miles from the Polling Place. | F. Because I am Legally Blind. |

TO OBTAIN AN ABSENTEE BALLOT:

- A. Appear in person at the office of the County Recorder

OR

- B. Submit a written request to the County Recorder indicating one of the above conditions.

NOTE: If confined because of physical disability, indicate address of confinement. If you will be out of town indicate where to mail the ballot.