

**PROPOSITION 100**  
**OFFICIAL TITLE****HOUSE CONCURRENT RESOLUTION 2010**

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, SECTION 8, CONSTITUTION OF ARIZONA; RELATING TO MUNICIPAL DEBT LIMITS.

**TEXT OF THE PROPOSED AMENDMENT**

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

1. Article IX, section 8, Constitution of Arizona, is proposed to be amended as follows, if approved by the voters and on proclamation of the Governor:

8. Local government debt limits: assent of taxpayers required for exceptions

Section 8. (1) No county, city, town, school district, or other municipal corporation shall for any purpose become indebted in any manner to an amount exceeding six per centum CENT of the taxable property in such county, city, town, school district, or other municipal corporation, without the assent of a majority of the ~~property taxpayers, who must also in all respects be qualified electors, therein~~ voting at an election provided by law to be held for that purpose. -

(2) The value of the taxable property ~~to therein~~ IN THE COUNTY, CITY, TOWN, SCHOOL DISTRICT OR MUNICIPAL CORPORATION SHALL be ascertained by the last assessment for state and county purposes, previous to incurring such indebtedness. ~~;- except, that in incorporated cities and towns assessments shall be taken from the last assessment for city or town purposes; provided, that~~

(3) Under no circumstances shall any county or school district become indebted to an amount exceeding fifteen per centum CENT

of such taxable property, as shown by the last assessment roll. ~~thereof; and provided further, that~~

(4) Any incorporated city or town, with such assent, may be allowed to become indebted to a larger amount, but not exceeding twenty per centum CENT additional, for:

(a) Supplying such city or town with water, artificial light, or sewers, when the works for supplying such water, light, or sewers are or shall be owned and controlled by the municipality. ~~-and for~~

(b) The acquisition and development by the incorporated city or town of land or interests therein for open space preserves, parks, playgrounds and recreational facilities.

(c) THE CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT OR ACQUISITION OF STREETS, HIGHWAYS OR BRIDGES OR INTERESTS IN LAND FOR RIGHTS-OF-WAY FOR STREETS, HIGHWAYS OR BRIDGES.

~~(2)~~ (5) The provisions of section 18, subsections (3), (4), (5) and (6) of this article shall not apply to this section.

2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article XXI, Constitution of Arizona.

**ANALYSIS BY LEGISLATIVE COUNCIL**

Article IX, section 8 of the Arizona Constitution limits the amount of debt that counties, cities, towns, school districts and other municipal corporations may incur to six percent of the value of the taxable property in the political subdivision unless qualified electors who are also property taxpayers in the political subdivision approve additional indebtedness of up to fifteen percent. In addition, the Constitution permits incorporated cities and towns, with the approval of qualified electors who are also property taxpayers, to incur debt up to twenty percent of the value of taxable property in the city or town to supply water, light and sewers and to acquire land for parks and preserves.

Proposition 100 would amend Article IX, section 8 to do all of the following:

(1) Remove the requirement for voting in political subdivision elections to approve indebtedness that the voters must be property taxpayers, but retain the requirement that they be qualified electors. This change would conform the Arizona Constitution to a United States Supreme Court decision.

(2) Specify that the last assessment for state and county purposes must be used in determining the value of taxable property in incorporated cities and towns.

(3) Allow incorporated cities and towns to include debt for the construction, reconstruction, improvement or acquisition of streets, highways or bridges and the acquisition of interests in land for rights-of-way for streets, highways or bridges in the twenty percent debt limit, with voter approval.

**ARGUMENTS "FOR" PROPOSITION 100**

Proposition 100 will assist cities and towns, particularly those experiencing rapid growth, in financing street and road improvements. The growth experienced by many of our communities is anticipated to continue, and it is essential that we find ways to meet the demands of citizens for improved transportation systems. Finding ways to improve our transportation system is important; it is the key to the high quality of life we have come to enjoy.

Proposition 100 provides cities and towns greater flexibility in financing street and road projects. Currently, there are two debt limits prescribed in the Arizona Constitution. Under the first limitation, cities may issue bonds with voter approval for general municipal purposes. These purposes include such services as streets, police, fire and library services for amounts up to 6% of the assessed valuation of the city.

Under the second limit, a city may issue bonds in amounts up to 20% of the assessed valuation of the city for a variety of utility services, including water and sewer. Proposition 100 would simply allow bonds issued for street purposes to be placed under the 20% limit along with other essential infrastructure projects.

The voters of communities nearing the 6% debt limit should be given the opportunity to determine, through an election, whether they wish to have bonds issued to provide for additional street improvements under the 20% debt limit. This proposition simply provides the voters of these communities the opportunity to make this choice if they so desire.

*Elaine M. Scruggs, President, League of Arizona Cities and Towns, Mayor, City of Glendale, Phoenix*

*Catherine F. Connolly, League of Arizona Cities and Towns, Executive Director, Phoenix*

Paid for by "League of Arizona Cities and Towns"

**ARGUMENTS "AGAINST" PROPOSITION 100**

The Secretary of State did not receive any arguments "against" Proposition 100.

**Spelling, grammar, and punctuation were reproduced as submitted in the "for" and "against" arguments.**

GENERAL ELECTION NOVEMBER 5, 2002

**BALLOT FORMAT****PROPOSITION 100****PROPOSED AMENDMENT TO THE CONSTITUTION  
BY THE LEGISLATURE****OFFICIAL TITLE**

HOUSE CONCURRENT RESOLUTION 2010  
PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, SECTION 8, CONSTITUTION OF ARIZONA; RELATING TO MUNICIPAL DEBT LIMITS.

**DESCRIPTIVE TITLE**

PERMITS INCORPORATED CITIES OR TOWNS, WITH VOTER APPROVAL, TO BECOME INDEBTED UP TO 20% OF TAXABLE PROPERTY FOR CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT OR ACQUISITION OF STREETS, HIGHWAYS, BRIDGES OR INTERESTS IN LAND FOR RIGHTS-OF-WAY FOR STREETS, HIGHWAYS OR BRIDGES; PROPERTY VALUE BASED ON LAST ASSESSMENT FOR STATE OR COUNTY PURPOSES.

**PROPOSITION 100**

A "yes" vote shall have the effect of permitting cities and towns to become indebted up to 20% of the value of taxable property for construction, reconstruction, improvement, or purchase of streets, highways or bridges or interests in land for rights of way for streets, highways or bridges.	<b>YES</b> <input type="checkbox"/>
A "no" vote shall have the effect of not allowing cities or towns to exceed their current debt limits for these purposes.	<b>NO</b> <input type="checkbox"/>