

**PROPOSITION 104**

**OFFICIAL TITLE**

**HOUSE CONCURRENT RESOLUTION 2001**

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

**TEXT OF 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 debt limits; assent of taxpayers

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 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, the value of the taxable property therein to 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 under no circumstances shall any county

or school district become indebted to an amount exceeding fifteen per centum of such taxable property, as shown by the last assessment roll thereof; and provided further, that any incorporated city or town, with such assent, may be allowed to become indebted to a larger amount, but not exceeding twenty per centum additional, for 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 the acquisition and development by the incorporated city or town of land or interests therein for open space preserves, parks, playgrounds and recreational facilities, PUBLIC SAFETY, LAW ENFORCEMENT, FIRE AND EMERGENCY SERVICES FACILITIES AND STREETS AND TRANSPORTATION FACILITIES.

(2) 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**

The Arizona Constitution limits the amount of debt that counties, cities, towns, school districts and other municipal corporations may incur to 6% of the value of the taxable property in the political subdivision unless qualified electors in the political subdivision approve additional indebtedness of up to 15%. In addition, the Constitution permits incorporated cities and towns, with the approval of qualified electors, to incur debt up to 20% 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 104 would amend the Arizona Constitution to allow incorporated cities and towns to include debt for the acquisition and development of public safety, law enforcement, fire and emergency facilities and streets and transportation facilities in the 20% debt limit, upon voter approval.

**ARGUMENTS "FOR" PROPOSITION 104**

Before 104 was placed on the ballot, it was passed as legislation with a bi-partisan majority of the Arizona Senate and House of Representatives. I introduced this legislation in response to the growing critical needs of both rural and metropolitan communities throughout Arizona.

Public works projects fall into two distinct categories within the Arizona Constitution for purposes of bonding – 6% and a 20% category of assessed valuation of a city or town. 104 does only one thing – it shifts streets and public safety projects out of the 6% and into the existing 20% category. That is all 104 does. 104 simply recognizes that the world has changed dramatically over the last century by matching today's needs for roadways and public safety facilities with a more modern and sound fiscal approach to how we finance them.

104 does not raise taxes, nor does it change the debt limits that cities and towns are currently restricted to under the Arizona Constitution. Voter authorization is still required before bonds can be issued by a community to meet local needs. 104 merely allows for better utilization of the constitutional bonding capacity that already exists.

104 provides a no-cost, no-tax solution to modernizing our state's constitution, while preserving the fiscal limits that were put in place when our state's constitution was ratified nearly a century ago.

Please join me in voting yes for more and improved streets and for giving our state's police and fire personnel the best opportunity to protect our public's safety.

John Nelson, State Representative, District 12, Litchfield Park

Dear Voter:

The Arizona Chapter Associated General Contractors encourage you to vote yes on Proposition 104. Our members build Arizona's infrastructure, but more importantly, they are citizens like you that get groceries, take kids to school and drive to and from work everyday.

Proposition 104 will help achieve these common everyday tasks more efficiently and safely because it will allow cities and counties the authority, WITH VOTER APPROVAL, to make larger investments in roads and law

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

enforcement.

Last session the legislature and Governor Napolitano thought it important to invest a portion of the budget surplus on accelerating Arizona's infrastructure. Proposition 104 is your opportunity to say "let's keep going." Let's make our roads and streets safer by reducing congestion and investing in additional law enforcement.

Please vote YES on Proposition 104.

Dennis Troggio, Chairman, Arizona Chapter  
Associated General Contractors, Chandler

David M. Martin, President, Arizona Chapter  
Associated General Contractors, Phoenix

*Paid for by "Arizona Chapter Associated General Contractors PAC"*

The Greater Phoenix Economic Council (GPEC) is the region's official economic development organization, responsible for attracting quality companies from around the world and supporting foundational improvements that enhance our business climate. As executive officers of GPEC, we would like to convey our support for HCR 2001.

The U.S. Census Bureau has ranked Greater Phoenix the fastest-growing region in the nation, and rapid growth is expected to continue with our population reaching 6.3 million in the next 25 years. In order to achieve sustainable growth, communities must make the necessary investments for public infrastructure and transportation. Ensuring our roads, highways and freeways are sound is key to the region's competitiveness. Transportation assets play a significant role in a company's consideration to locate or expand in Greater Phoenix, as it affects overall business viability. For example, employee accessibility to business operations, especially here, is a widespread issue that can impact quality of life for a company's workforce. In addition, locations with freeway access are most desirable to easily transport the flow of goods in and out of the state.

By shifting the bonding limitation for transportation and public safety projects from the 6% to 20% category, cities and towns can avoid implementing an increase in sales tax that would have otherwise been used to compensate for budget shortfalls. Employing this change also allows communities more economic development tools to fund projects at a local level.

We encourage you to vote in favor of HCR 2001 and enable your community to better utilize its bonding capacity. Public support of this referendum will improve Greater Phoenix as a great place to live and work.

Ken Burns, Chief Financial Officer, Greater  
Phoenix Economic Council, Phoenix

Troy Ignelzi, Vice President, Emerging  
Technologies, Greater Phoenix Economic  
Council, Scottsdale

*Paid for by "Greater Phoenix Economic Council, Inc."*

Support for Proposition 104

The fast growing cities and towns of Arizona need the ability to set priorities for community improvements. Passage of Proposition 104 **will remove artificial barriers to meeting local needs.**

- A YES vote WILL NOT increase public debt.
- A YES vote WILL NOT increase property taxes.
- A YES vote WILL allow communities to decide priorities between streets, public safety facilities, parks and other local improvements.

Currently, state law gives communities more resources to build parks and drainage projects than to build streets and public safety buildings such as fire and police stations. While that may be fine for some areas, it does not meet the need in others. Proposition 104 will give all of them the same criteria for funding, and **let local decisions and local funds meet local needs.**

- A YES vote WILL **improve traffic.**
- A YES vote WILL **improve public safety.**
- A YES vote WILL **let communities decide** what is best in their neighborhood.

Mayor Marie Lopez-Rogers, Avondale  
Mayor Fred Waterman, El Mirage  
Mayor Thomas Schoaf, Litchfield Park  
Mayor Phil Gordon, Phoenix  
Mayor Adolfo Gamez, Tolleson  
Mayor Bryan Hackbarth, Youngtown

Mayor Bobby Bryant, Buckeye  
Mayor Daniel Birchfield, Gila Bend  
Mayor John Keegan, Peoria  
Mayor Joan Shafer, Surprise  
Mayor Ron Badowski, Wickenburg

*Paid for by "John C. Keegan"*

When you call 911 you expect a firefighter or a police officer to come running as quickly as they can. And, you have the same expectations regardless of whether you live in a 50 year-old neighborhood or a brand new subdivision. But often, local government is unable to build the fire stations or police stations as fast as the new development is coming. A fire truck can not get to a heart attack victim as fast as it should when it has to travel several miles down clogged roads to reach a newly developed part of the city.

Proposition 104 will allow local governments to include additional, important public safety projects in their bond programs. Any municipal bond proposals must be approved by local voters and are subject to a city's own bonding limit. This measure simply allows more public safety projects to be eligible for inclusion in bonding programs.

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

*Issued by: Secretary of State Jan Brewer*

Bonding for public safety projects helps expedite building needed public safety projects. It also insures that all local residents will pay their fair share of the project's costs. The alternative is to ask current city residents to pay a little more in taxes today to build a fire station that will serve residents that won't move in until tomorrow.

The Arizona Fire District Association supports Proposition 104. Our State thrives on growth and new residents. But every resident wants that fire truck at their door as fast as possible. Proposition 104 gives local governments another tool to make sure that all city residents are served equally well. Vote Yes on 104.

Jan Hauk, President, AFDA, Buckeye  
*Paid for by "Jan Hauk"*

Thomas Healy, Vice President, AFDA, Phoenix

The residents of our communities consistently cite public safety and transportation issues as their most critical needs. The successful enactment of Proposition 104 will be crucial to addressing these needs in the future.

Passage of this measure will not increase the overall debt limit of cities and towns. However, it will allow municipalities to better meet the needs of its citizens by providing the capacity necessary to issue bonds for the construction of local street and highway improvements and for additional police and fire substations. Without the passage of this measure, our East Valley communities may have to delay the construction of these vital projects and may not be able to keep up with the demands of growth.

As mayors, we understand how important public safety and transportation are in maintaining our high quality of life and in improving our local economies. Please help us to deliver these critical services by voting in support of Proposition 104.

Boyd W. Dunn, Mayor, City of Chandler,  
Chandler

Steve Berman, Mayor, Town of Gilbert, Gilbert

Keno Hawker, Mayor, City of Mesa, Mesa

Mary Manross, Mayor, City of Scottsdale,  
Scottsdale

Hugh Hallman, Mayor, City of Tempe, Tempe

Art Sanders, Mayor, Town of Queen Creek,  
Queen Creek

*Paid for by "Mayor Keno Hawker"*

**WESTMARC strongly urges a YES VOTE on Proposition 104!**

WESTMARC is the regional coalition of business, government, and education that advocates for good public policy. As a partnership between business and government, it is paramount that we thoroughly consider public policy issues and work collaboratively toward public policy that is good for our region and our state.

**WESTMARC has thoroughly reviewed Proposition 104 and believes it will provide local communities another tool in the tool box to address our transportation needs.**

Consider this:

- Arizona's explosive growth can be detrimental to cities and towns that are unable to build the infrastructure necessary to provide vital services to future citizens.
- Rapid population growth often results in deteriorating streets and roadways and traffic congestion.
- Cities are experiencing additional costs for air quality compliance, urban sprawl, high insurance rates and reduced quality of life.
- Dramatic population growth has increased demand on public safety and law enforcement.
- An increased emphasis on homeland security places critical need to upgrade public safety infrastructure.

**If passed, Proposition 104 will:**

- Let communities decide what is best for their neighborhoods.
- Improve police and fire facilities.
- Let communities decide priorities between streets, police and fire facilities and parks.
- Allow more street improvements.

**Proposition 104 will give communities more tools to fund public safety and transportation projects vital to the citizens of West Valley and the state.**

**Vote YES on Proposition 104, and join these and other members of WESTMARC:**

Jay Ellingson, SunCor-Palm Valley  
Goodyear Mayor James Cavanaugh  
Doug Kelsey, Sun City HOA  
Mike Woodard, Blue Cross/Blue Shield  
Arlene Kulzer, Arrowhead Community Bank

Tyron Ivy, Prism Technology Solutions  
Glendale Mayor Elaine Scruggs  
Chuck Ullman, Sun City PORA  
James Resendez, West Valley Hospital  
Herman Orcutt, Orcutt/Winslow Partnership

Hal DeKeyser, Chairman, WESTMARC, Peoria

Jack W. Lunsford, President & CEO,  
WESTMARC, Phoenix

*Paid for by "WESTMARC"*

The Arizona Constitution sets limits on how much debt a city or town can incur to finance the construction of public facilities. For water, sewer or lighting projects that will be owned by the city or town the limit is an amount equal to 20% of the value of taxable property in that city or town. For all other purposes, the limit is 6% of the taxable property value.

Many cities and towns have been unable to build the necessary public safety facilities they need to serve

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their residents because of the 6% limit. This measure would allow public safety and law enforcement services, fire and emergency services facilities, and transportation facilities to be financed under the 20% cap.

The measure simply adds those new purposes to the higher limit; it would not cause an increase in debt or property taxes unless the voters approve new construction projects.

HCR 2001 recognizes that it is more expensive today for cities and towns to pay for the construction of new public facilities.

This measure will provide the capacity to issue bonds that cities and towns need to construct facilities to provide these vital services, if those bonds are approved by the voters.

Douglas Coleman, President, League of  
Arizona Cities and Towns, Apache Junction

Boyd W. Dunn, Vice President, League of  
Arizona Cities and Towns, Chandler

*Paid for by "The League of Arizona Cities & Towns"*

The Arizona Association of Industries and our member companies supported the passage of House Concurrent Resolution 2001, Municipal Debt; Capacity and we are supportive of the passage of Prop 104.

As the largest manufacturing and industrial trade association in Arizona, we represent one of the most powerful economic engines in the state. Manufacturers in the state employ well over 175,000 jobs. Our manufacturing companies are diverse and include companies in traditional manufacturing industries such as plastics, food processing and printing, as well as those that are engaged in breakthrough technologies, like electronics, medical devices and aviation/aerospace.

Over the years we have witnessed a tremendous growth in the state's population. This growth can be attributed to our strong economy and our flourishing job market. As more and more growth comes to Arizona, it is important that local communities be able to invest in their infrastructure by a vote of the people and within the limits established by the local communities. In doing so, we will create and support new investment in the infrastructure required to support all industry sectors including manufacturing.

Proposition 104 is an investment in Arizona's future that will help maintain our strong standing as one of the greatest places to live and work.

Stuart Banks, President, Arizona Association of  
Industries, Anthem

Jim Norton, Sr. Public Policy Advisor, Arizona  
Association of Industries, Phoenix

*Paid for by "Arizona Association of Industries"*

As a member of the Arizona State Senate, I supported placing House Concurrent Resolution 2001 on the ballot.

This measure would provide an opportunity for small cities and towns to build important transportation and public safety infrastructure that would otherwise be extremely difficult. Many small cities and towns simply do not have the financial capacity to afford major road or public safety technology projects that are so vital to our economic development. Some of the road projects that would be possible with HCR 2001 would be good for safety, help ease congestion, and help us bring good jobs to many regions throughout the State.

Future generations depend on us to make good decisions about our basic infrastructure. I support providing this option to local elected governments. Some will not need this mechanism, and there is no mandate to use it. But many of our communities in Greater Arizona need this extra tool, and HCR 2001 provides them that flexibility.

Jake Flake, Arizona State Senate, District 5, Snowflake

Support HCR2001

*Investing in Progress – Public Safety and Transportation*

Nowhere are the demands for road improvements and expanded public safety greater than in the East Valley. The 1.5 million people that call this area home and the additional 250,000 that will move here in the next 4 years expect a high level of service from our cities and towns. The passage of HCR2001 (Investing in Progress – Public Safety and Transportation) will ensure that our local officials have the tools necessary to address these important needs in the future.

Passage of this measure will allow municipalities to better meet the needs of its citizens by providing the capacity necessary to issue bonds for the construction of local street and highway improvements and for additional police and fire substations. Without the passage of this measure, our East Valley communities may have to delay the construction of these vital projects and may not be able to keep up with the demands of growth.

Passage of this measure will not increase the overall debt limit of cities and towns. More importantly, passage of this measure will not result in higher taxes.

Please help us to deliver these critical services by voting in support of HCR2001.

Roc Arnett, President, East Valley Partnership,  
Mesa

David Udall, Immediate Past Chair, East Valley  
Partnership, Mesa

*Paid for by "East Valley Partnership"*

The 7,000 rank-and-file police officers of the Arizona Police Association (APA) strongly support HCR2001. As law enforcement officers, we have made a commitment to place our lives between the good citizens of this

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*Issued by: Secretary of State Jan Brewer*

State and those who wish to do them harm. Arizona has the finest police officers in the country, and even in the face of a population explosion, the daily sacrifices of these brave men and women have allowed Arizona to remain a safe place to live.

To continue this level of service in the face of continued population growth, the leaders of our towns and cities must have the tools necessary to fund appropriate public safety infrastructure. HCR2001 does not create new taxes or bonds; however, in this day and age of high risks to our citizens, public safety services are critical to growing communities and flourishing economies.

While the federal government cuts local funding for homeland security, local elected officials can use the increased bonding capacity to keep their communities safe and protected. With these bonds, they can build police and fire facilities, purchase new or enhance communication and 9-1-1 systems in their communities.

We will always be there when the citizens of Arizona need us, and we want to have the training, equipment and facilities necessary to deliver the service they deserve.

Vote YES on HCR2001!

Jake Jacobsen, Executive Board, Arizona  
Police Association, Scottsdale

Dale Norris, Executive Director, Arizona Police  
Association, Phoenix

*Paid for by "Arizona Police Association"*

### **Support HCR 2001**

#### **Investing in Progress – Public Safety and Transportation**

##### **The Arizona Fire Chiefs Organization urges you to vote YES on HCR2001.**

The Arizona State Constitution limits bonding for local public works projects to two categories – a 6% category for transportation and public safety projects. The second bonding category of 20% exists for utilities and development of open space preserves, parks, playgrounds and recreational facilities.

HCR 2001 asks voters to amend the Constitution to shift the bonding limitation for transportation and public safety projects from the existing 6% to 20% category for cities and towns.

- This constitutional change is necessary to address the explosive growth we are experiencing in cities and towns that are unable to collect enough revenues to build the infrastructure needed to provide vital services to our citizens.

- The increased emphasis on homeland security creates a critical need to upgrade public safety infrastructure. However, the current limited bonding authority has put public safety projects in a position of competing with other major projects.

#### **Benefits of Expanded Bonding Capacity**

- Bonding for infrastructure ensures that future generations of citizens will help pay their share of the cost for the services they will use.
- Cities will not have to resort to permanent revenue enhancements such as increasing sales tax to offset funding shortfalls for temporary projects.
- Cities will have more tools at the local level to fund projects rather than depend on assistance on the state or regional level.

#### **Examples of Public Safety Projects:**

- Fire & Police Stations
- Public Safety Training Facilities
- Communications Systems
- Enhanced 911 Services

Remember, there is no fiscal impact, and voters must still approve any bond proposals.

Mark Burdick, President, AFCA, Glendale

Larry Rooney, 2nd Vice President, AFCA,  
Peoria

*Paid for by "Miryam Gutier-Brown"*

The Arizona Association of Chiefs of Police requests your support on this proposition. Police departments across our state are dedicated to serve and protect the lives and property of the residents of our communities. Because our communities are growing so rapidly, we as police chiefs constantly struggle to keep response times low, and to maintain the best possible technology and facilities for fighting crime.

We strive to use the latest scientific technology, including DNA, to ensure that the right person is arrested and prosecuted. Many people watch popular crime fighting shows such as CSI, believing that law enforcement agencies in Arizona have this technology readily available to them. However, this is simply not true. The reality is that very few law enforcement agencies have access to these technologies, which are very expensive to purchase and maintain. At the same time many of our radio and computer systems need upgrading or replacement to keep up with these technological advances.

This proposition gives your local government the flexibility to use more of their community's bond capacity to build and equip public safety facilities such as:

- police and fire stations;
- crime laboratories;
- public safety training facilities;
- communications systems; and
- 911 and other emergency systems.

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Please, help us keep our communities safe by supporting this important measure.

Eric Edwards, Executive Director, AACOP,  
Litchfield Park

Fran Burns, Secretary, AACOP, Mesa

*Paid for by "Arizona Association of Chiefs of Police"*

The greater Phoenix region is a dynamic place to start and grow a business -- that's why we continue to enjoy one of the fastest-growing regional economies in the country. We all benefit from the new jobs, construction, and business diversity that comes from economic growth. But as business leaders, we understand that this growth also can strain existing infrastructure by clogging our streets and freeways, and stretch thin the capabilities of our police, fire, and emergency response systems. Planning and investing for future growth is key to our continued success as a region; therefore, we strongly support Proposition 104.

This measure will allow communities in Arizona to allocate more of their existing resources to pay for critical public infrastructure such as streets, passing lanes, wider intersections, improved traffic signals, new transit routes, enhanced 911 emergency services, fire trucks, fire stations, public safety training facilities, police radios, and police stations. The safety and security of our businesses and employees depends on these kinds of prudent public investments.

A YES vote helps our cities and towns build and improve roads and streets.

A YES vote helps our cities and towns to keep us safe.

Please vote YES on Proposition 104.

José A. Cárdenas, Chairman, Greater Phoenix  
Leadership, Chandler

R. Thomas Browning, President, Greater  
Phoenix Leadership, Scottsdale

*Paid for by "Greater Phoenix Leadership"*

**ARGUMENTS "AGAINST" PROPOSITION 104**

The Secretary of State's office did not receive any arguments "against" Proposition 104.

**BALLOT FORMAT**

**PROPOSITION 104**

PROPOSED AMENDMENT TO THE CONSTITUTION  
BY THE LEGISLATURE

**OFFICIAL TITLE**

HOUSE CONCURRENT RESOLUTION 2001  
PROPOSING AN AMENDMENT TO THE CONSTITUTION OF  
ARIZONA; AMENDING ARTICLE IX, SECTION 8, CONSTITU-  
TION OF ARIZONA; RELATING TO MUNICIPAL DEBT.

**DESCRIPTIVE TITLE**

PERMITS INCORPORATED CITIES AND TOWNS WITH VOTER  
APPROVAL TO INCLUDE DEBT FOR THE ACQUISITION AND  
DEVELOPMENT OF PUBLIC SAFETY, LAW ENFORCEMENT,  
FIRE AND EMERGENCY SERVICES FACILITIES AND  
STREETS AND TRANSPORTATION FACILITIES IN THE 20%  
DEBT LIMIT.

**PROPOSITION 104**

A "yes" vote shall have the effect of permitting  
incorporated cities and towns to include debt for  
the acquisition and development of public safety,  
law enforcement, fire and emergency services  
facilities and streets and transportation facilities in  
the twenty percent debt limit, upon voter approval.

**YES**

A "no" vote shall have the effect of retaining the  
current debt limitations on incorporated cities and  
towns.

**NO**

**PROPOSITION 104**

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