



ARIZONA STATE SENATE
Fiftieth Legislature, Second Regular Session

FACT SHEET FOR H.C.R. 2005

initiatives; referendum measures; periodic reauthorization

Purpose

Upon voter approval, creates two ballot measures requiring the reauthorization of initiatives and referendums that create a fund for public monies, dedicate public monies to a specific purpose or otherwise affect state General Fund (GF) revenues or expenditures after six years.

Background

The Arizona Constitution allows an initiative to be placed on the ballot by a petition of 10 percent of qualified electors in the state, or 15 percent if the proposed change is to the Constitution. The Legislature or five percent of the qualified electors may place a referendum on the ballot. The number of qualified electors is determined by the whole number of votes cast for all candidates for Governor in the last general election (Article IV, Section 1).

Proposition 105, passed by the voters in 1998, made a series of changes to the Arizona Constitution relating to initiative and referendum. In part, the proposition stipulates that in order to amend or supersede a voter-approved ballot measure, or to transfer funds designated by the measure, the proposed legislation must receive the affirmative vote of three-fourths of the membership of each legislative chamber, and the act must further the purpose of the original ballot measure.

The changes made by Proposition 105 apply to measures enacted after 1998 and do not limit the Legislature's power to refer measures to the ballot.

In the 2004 general election, the voters passed Proposition 101, which requires an initiative or referendum to provide an increased source of revenues to cover the cost of the measure if the measure mandates a state revenue expenditure, establishes a fund or allocates funding. The proposition further stipulates that the increased revenues cannot come from the state's GF or cause a reduction in GF revenues.

The fiscal impact associated with this legislation is unknown, and dependent on the reauthorization of ballot measures by the qualified electorate.

Provisions

Proposition Number One

1. States that if a statewide initiative or referendum measure or constitutional amendment creates a fund for public monies, dedicates public monies to a specific purpose or otherwise affects state GF revenues or expenditures, it is only valid for six years.
2. Mandates that after five full years a reauthorization measure or amendment be referred to the ballot at the next general election for another six years of authorization.
3. Requires the Legislature, in the year before a reauthorization occurs, to provide for a financial and performance audit and analysis of each qualifying measure.
4. Stipulates that the audit materials and recommendations be made available to each household of a qualified elector at least 60 days before the date of the election.

Proposition Number Two

5. States that the second proposition referred to the ballot as a result of this act applies retroactively to all statewide initiative and referendum measures or constitutional amendments approved on or after November 3, 1998 that create funds for public monies, dedicate public monies to a specific purpose or otherwise affect state GF revenues and expenditures.
6. Requires all retroactively affected measures to be referred to the ballot according to the following schedule:
 - a) initiative and referendum measures or constitutional amendments enacted into law in 1998 through 2008 are referred to the 2014 general election; and
 - b) initiative and referendum measures or constitutional amendments enacted into law in 2010 and 2012 are referred to the 2016 and 2018 general elections, respectively.

Miscellaneous

7. Directs the Secretary of State to submit both propositions to the ballot at the next general election.
8. Becomes effective upon voter approval, and on proclamation of the Governor.

House Action

JUD	2/9/12	DP	6-3-0-0
3 rd Read	3/1/12		39-17-3-0

Prepared by Senate Research
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KY/ly