



Club for Growth Foundation is a 501(c)(3) non-profit organization focused on educating the public about the value of free markets, pro-growth policies, and economic prosperity.

State Scorecards are created by the Club for Growth Foundation to educate the public about the voting records of the legislators who serve in state legislatures. This is part of a larger scorecard project that the Club for Growth Foundation has created to educate the public about the economic positions taken by legislators in states across the country.

Our Mission

THE FOUNDATION **EDUCATES THE** PUBLIC ABOUT PRO-**GROWTH POLICIES.**

THE FOUNDATION CONDUCTS **COMPREHENSIVE EXAMINATIONS OF VOTING RECORDS.**

THE FOUNDATION'S **GOAL IS TO INFORM** THE PUBLIC AND **BRING AWARENESS** TO LAWMAKERS.

METHODOLOGY 2023 ARIZONA

> **ARIZONA** SENATE **SNAPSHOT**

ARIZONA SENATE VOTES

ARIZONA SENATE VOTE **DESCRIPTIONS**

> **ARIZONA** HOUSE **SNAPSHOT**

ARIZONA HOUSE VOTES

ARIZONA HOUSE VOTE **DESCRIPTIONS**

Methodology | Arizona 2023

Club for Growth Foundation publishes the scorecard study so the public can monitor the actions and the voting behavior of Arizona's elected state lawmakers on economic growth issues.

The Foundation conducted a comprehensive examination of each lawmaker's record on votes related to pro-growth policies and computed an Economic Growth Score on a scale of 0 to 100. A score of 100 indicates the highest support for pro-growth policies.

The Foundation examines legislative votes related to the Club's immediate pro-economic growth policy goals, including:

- Reducing or eliminating tax rates and enacting tax reform
- Limited government through limited spending and budget reform
- Regulatory reform and deregulation
- Ending abusive lawsuits through medical malpractice and tort reform
- Expanding school choice
- Implementing term limits

Not all of these policy goals will come up for a vote in each legislative session.

The Foundation also examines votes on bills that would directly harm these goals.

This scorecard is based on selected votes of importance to the Foundation, and does not include the complete voting record of any legislator. There are inherent limitations in judging the overall qualifications of any legislator based on a selected voting record, and the Foundation does not endorse or oppose any legislator for public office.

LEGISLATIVE ACTIONS **CONSIDERED IN ARIZONA IN 2023**

The Foundation's study examined 1,200 floor votes and, in the end, included 20 Arizona House votes and 20 Arizona Senate votes.

COMPUTATION

Scores are computed on a scale of 0 to 100. Each vote or action in the rating is assigned a certain number of points depending on its relative importance. If a lawmaker casts a correct vote, the scorecard will denote it with that number. If a lawmaker casts an incorrect vote, the scorecard will denote that vote with a hyphen (-). Absences are not counted signified as an "X" on the scorecard - though the Foundation reserves the right to do so if, in its judgment, a lawmaker's position was otherwise discernible. If a lawmaker was not officially sworn into office at the time of a vote. the scorecard will denote that vote with an "I".

To provide some additional guidance concerning the scores, each lawmaker was ranked. Aside from ties, lawmakers with 0% scores are, by default, ranked #60 in the

House and #30 in the Senate if all lawmakers are present. Scores and ranks cannot be directly compared between the House and Senate, as different votes were taken in each chamber. If applicable, the study also records a "Lifetime Score" for each lawmaker. This is a simple average of the scores from 2023 and all previous years where the lawmaker earned a score.

In some cases, a lawmaker was not present for enough votes for a meaningful score or ranking to be computed. In such cases "n.a." for "not applicable" appears. In computing lifetime scores, years with "n.a." listed instead of a score are not included. Comparing such scores to other members without "n.a." years may be misleading.

ADDITIONAL FACTORS

A study of roll call votes on the floor of the Arizona House and Arizona Senate and legislative actions is just that. It cannot account for a lawmaker's work in committee, advocacy in his party's caucus meetings, and effectiveness as a leader in advocating progrowth policies.

"Through the release of this series, the Club for Growth Foundation is looking at how state legislatures perform in terms of pro-growth policies. We believe that this scorecard will help inform citizens and entrepreneurs about who supports the policies that are good for economic prosperity."

- DAVID McINTOSH PRESIDENT, CLUB FOR GROWTH FOUNDATION

METHODOLOGY 2023 ARIZONA

DESCRIPTIONS

30 MEMBERS

Arizona Senate Snapshot

16 Republicans

14 Democrats

O Independent

O Vacancy

Average Republican Score: 68%

(Down from 69% in 2022)

Average Democrat Score: 19% (Up from 8% in 2022)



HIGHEST-RATED REPUBLICAN Senator Jake Hoffman (SD-15) | 89%







LOWEST-RATED REPUBLICANS



HIGHEST-RATED DEMOCRAT Senator Raquel Teran (SD-26) | 27%

Clockwise from left



LOWEST-RATED DEMOCRAT Senator Eva Burch (SD-9) | 11%

ARIZONA SENATE **SNAPSHOT**

ARIZONA

ARIZONA SENATE VOTES

Arizona 2023 | Senate Scorecard

Name	District	Party	Score	Life- score	HB2209	HB2254	HB2432	HB2440	HB2472	SB1063	SB1108	SB1136	SB1144	SB1162	SB1167	SB1281	SB1312	SB1500	SB1502	SB1559	SB1562	SB1577	SB1585	SB1720	Rank
PRO-GROWTH POSITION					N	Υ	N	Υ	Υ	Υ	N	N	Υ	Υ	Υ	Υ	Υ	Υ	N	N	N	Υ	N	N	
POINTS					4	3	8	5	3	7	4	5	4	4	6	6	6	4	6	4	4	9	5	3	
Alston, Lela	SD-05	D	17%	5%	-	-	-	-	-	-	4	-	-	-	-	-	-	-	6	4	-	-	-	3	24
Bennett, Ken	SD-01	R	57%	57%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	-	9	-	-	14
Borrelli, Sonny	SD-30	R	66%	72%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	7
Bravo, Flavio	SD-26	D	n/a	0%	-	ı	ı	ı	ı	ı	ı	ı	ı	ı	I	ı	ı	ı	ı	ı	ı	ı	ı	-	
Burch, Eva	SD-09	D	11%	11%	-	-	-	-	-	-	4	-	-	-	-	-	-	-	6	Х	Х	-	х	-	30
Carroll, Frank	SD-28	R	62%	72%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	-	9	5	-	11
Diaz, Eva	SD-22	D	20%	20%	-	-	-	-	-	х	4	Х	-	-	-	-	-	-	6	4	4	-	-	-	21
Epstein, Denise	SD-12	D	18%	14%	-	-	-	-	-	-	4	-	-	-	-	-	-	-	6	4	4	-	-	-	23
Farnsworth, David	SD-10	R	84%	88%	4	3	8	5	3	7	-	-	4	4	6	6	6	4	6	-	4	9	5	-	2
Fernandez, Brian	SD-23	D	15%	9%	Х	-	-	-	-	-	4	-	-	-	-	-	-	-	6	4	-	-	-	-	27
Gabaldon, Rosanna	SD-21	D	16%	10%	-	-	-	-	-	-	4	-	-	Х	-	Х	Х	-	Х	4	-	Х	-	3	25
Gonzales, Sally	SD-20	D	15%	10%	-	-	-	-	-	-	4	Х	-	-	-	-	-	-	6	Х	4	-	-	-	27
Gowan, David	SD-19	R	61%	70%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	-	-	12
Hatathlie, Theresa	SD-06	D	19%	17%	-	-	-	-	-	-	4	5	-	-	-	-	-	-	6	4	-	-	-	- 1	22
Hernandez, Anna	SD-24	D	21%	21%	-	-	-	-	-	-	4	-	-	-	-	-	-	-	6	4	4	-	-	3	20
Hoffman, Jake	SD-15	R	89%	96%	4	3	8	5	3	7	-	5	4	4	6	6	6	4	6	-	4	9	5	-	1
Kaiser, Steve	SD-02	R	66%	72%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	7
Kavanagh, John	SD-03	R	66%	75%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	7
Kern, Anthony	SD-27	R	78%	85%	4	3	8	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	3
Kerr, Sine	SD-25	R	57%	66%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	-	9	-	-	14
Marsh, Christine	SD-04	D	14%	7%	-	-	-	-	-	-	4	-	-	-	-	-	-	-	6	4	-	-	-		29

Arizona 2023 | Senate Scorecard (Continued)

Name	District	Party	Score	Life- score	HB2209	HB2254	HB2432	HB2440	HB2472	SB1063	SB1108	SB1136	SB1144	SB1162	SB1167	SB1281	SB1312	SB1500	SB1502	SB1559	SB1562	SB1577	SB1585	SB1720	Rank
PRO-GROWTH POSITION					N	Υ	N	Υ	Υ	Υ	N	N	Υ	Υ	Υ	Υ	Υ	Υ	N	N	N	Υ	N	N	
POINTS					4	3	8	5	3	7	4	5	4	4	6	6	6	4	6	4	4	9	5	3	
Mendez, Juan	SD-08	D	26%	16%	-	-	-	-	-	-	4	5	-	-	-	-	-	-	6	4	4	-	-	3	18
Mesnard, J.D.	SD-13	R	66%	81%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	7
Miranda, Catherine	SD-11	D	16%	16%	-	-	-	Х	х	-	4	-	-	-	-	-	х	-	6	4	-	-	-	-	25
Petersen, Warren	SD-14	R	70%	93%	4	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	4
Rogers, Wendy	SD-07	R	70%	77%	4	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	4
Shamp, Janae	SD-29	R	61%	61%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	-	-	12
Shope, Thomas	SD-16	R	57%	63%	-	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	-	9	-	-	14
Sundareshan, Priya	SD-18	D	26%	26%	-	-	-	-	-	-	4	5	-	-	-	-	-	-	6	4	4	-	-	3	18
Teran, Raquel	SD-26	D	27%	19%	ı	-	ı	-	-	-	4	5	-	-	-	-	-	-	6	4	4	-	-	ı	17
Wadsack, Justine	SD-17	R	70%	70%	4	3	-	5	3	7	-	-	4	4	6	6	6	4	-	-	4	9	5	-	4

ARIZONA SENATE VOTES

Arizona 2023 | Senate Vote Descriptions

HB 2209

CRONY ECONOMIC DEVELOPMENT **EXPANSION**

(CFGF OPPOSES)

This bill extends and expands a crony economic development agency. Specifically, the legislation sunsets the agency in 2028, extending its authorization for another four years. Additionally, the bill only sunsets the agency if certain criteria are met, including whether the agency has any remaining obligations and whether it has paid off its outstanding debts for various projects. Lastly, the legislation grants the Arizona Industrial Development Authority the power to issue industrial bonds to well-connected entities and special interests. The Arizona House passed the bill, 46-14, on March 23, 2023. The Arizona Senate passed it, 23-6, on June 12, 2023.

HB 2254

NEW STATE REGULATORY REFORM PROVISION

(CFGF SUPPORTS)

This bill gives the legislature new tools for reining in excessive state regulations. Specifically, the legislation requires the Legislature to approve any regulation with an estimated fiscal impact of \$500,000 or more over five years. This approach mirrors the federal REINS Act and provides an important check on unaccountable bureaucrats attempting to impose their ideological agenda through agency edicts. The Arizona House passed the bill, 31-27, on May 15, 2023. The Arizona Senate passed it, 16-14, on April 4, 2023. Governor Hobbs vetoed the bill.

HB 2432

SUPPLEMENTAL MEDICAID SPENDING **BONANZA**

(CFGF OPPOSES)

This bill allocates significant new spending for the current fiscal year. Specifically, the

legislation appropriates new funding for FY2022-23 equal to \$3.6 billion to cover the state Medicaid program's cost overruns for the current fiscal year. Medicaid expansion has resulted in nearly one in three Arizonans being enrolled in a program rife with fraud and poor health outcomes. Lawmakers should focus on moving Arizonans off Medicaid and constraining spending instead of funneling ever higher amounts of taxpayer resources to keep massive welfare programs afloat. The Arizona House passed the bill, 43-17, on February 22. 2023. The Arizona Senate passed it, 26-3, on May 3, 2023.

HB 2440

GRID RELIABILITY PRIORITIZATION

(CFGF SUPPORTS)

This bill instructs public power entities in Arizona to put the needs of families and working households first. Specifically, the legislation requires power companies to prioritize reliability and affordability when

DESCRIPTIONS

Arizona 2023 | Senate Vote Descriptions

making decisions on infrastructure investment, power generation, and power distribution. This means utilities will make use of stable and affordable sources of energy like coal and natural gas as opposed to unreliable and costly solar and wind power. Green energy mandates have directly contributed to skyrocketing utility costs and led to increasingly unstable grids, which jeopardize the health and livelihood of hardworking families and taxpayers. The Arizona House passed the bill, 31-29, on February 28, 2023. The Arizona Senate passed it, 16-13, on March 28, 2023. Governor Hobbs vetoed the bill.

HB 2472

SOCIAL CREDIT SCORE PROHIBITION (CFGF SUPPORTS)

This bill prohibits the implementation of a communist-style social credit system in Arizona. Specifically, the legislation prohibits any bank or financial institution from using a social credit system to determine whether to lend money to a customer. Social credit systems discriminate against individuals and groups of people based on their political, religious, economic, or social views, imposing steep financial costs for holding beliefs deemed out of favor by the ruling class. Such systems are a direct threat to freedom and contrary to the very ethos of the American way of life. The Arizona House passed the bill, 31-28, on February 21, 2023. The Arizona Senate passed it, 16-13, on March 28, 2023. Governor Hobbs vetoed the bill.

SB 1063

MUNICIPAL GROCERY TAX REPEAL (CFGF SUPPORTS)

This bill implements a significant tax reduction for families and households. Specifically, the legislation eliminates the ability of local governments and municipalities to impose a Transaction Privilege Tax (TPT) on groceries. Estimates suggest the elimination of the local transaction privilege tax for groceries would save taxpayers \$568 million over the next three years. Eliminating burdensome taxes is the cleanest and most effective way to provide needed relief for hardworking Arizonans. The

Arizona House passed the bill, 31-29, on March 22, 2023. The Arizona Senate passed it, 16-13, on February 27, 2023. Governor Hobbs vetoed the bill.

SB 1108

MINIMUM WAGE TAX CREDIT HANDOUT (CFGF OPPOSES)

This bill creates a new tax credit to offset the impact of local minimum wage hikes beyond the state minimum wage rate. Specifically, the legislation establishes a new individual and corporate tax credit equal to 10 percent of the difference between a business's existing wage base and what it would have been with employees paid under the state minimum wage. This credit can be carried forward for five years. Estimates suggest the handout would total \$147 million over two years, primarily benefiting businesses in Tucson and Flagstaff. Lawmakers should preempt local minimum wage laws that exceed the state rate instead of attempting to offset one bad policy with another bad policy. The Arizona Senate passed the bill, 16-14, on February 9, 2023. The Arizona House did not take it up.

Arizona 2023 | Senate Vote Descriptions

SB 1136

NEW BIG GOVERNMENT HOUSING GRANT **PROGRAM**

(CFGF OPPOSES)

This bill authorizes the creation of a massive new taxpayer-funded government housing program. Specifically, the legislation creates a new competitive grant program for housing development that mandates the usage of costly renewable energy and green materials and requires municipalities to adhere to rating systems overseen by federal green housing bureaucracies. The program subsidizes transitional military housing, dwellings for the homeless, and housing for low-income populations. Additionally, the cost of the new program remains unclear and is largely subject to appropriations. Subsidized housing creates significant market distortions, enriches well-connected developers, and burdens hardworking taxpayers. The Arizona House passed it, 31-24, on May 9, 2023. The Arizona Senate passed it, 23-5, on March 1, 2023.

SB 1144

TARGETED CENTRAL BANK DIGITAL **CURRENCY PROHIBITION**

(CFGF SUPPORTS)

This bill prohibits the use of a prospective central bank digital currency (CBDC) in Arizona. Specifically, the legislation expressly recognizes legal tender in the state to be any medium of exchange authorized by the U.S. Constitution or Congress except for a digital currency issued by the Federal Reserve or other related entity. Additionally, the bill prohibits the recognition of CBDCs as a form of money altogether, including CBDCs issued by foreign governments. This is an important protection for families, workers, and consumers as a central digital currency would, in effect, give the federal government control over every citizen's bank account in a massive reorganization of the relationship between citizens and government. The Arizona House passed the bill, 30-28, on May 15, 2023. The Arizona Senate passed it, 16-14, on February 28, 2023.

SB 1162

HOME BUSINESS REGULATORY PREEMPTION

(CFGF SUPPORTS)

This bill preempts local governments from imposing onerous regulations on home-based businesses. Specifically, the legislation prohibits municipalities and counties from mandating rezoning, licenses, permits, or other approval mechanisms for operating a "no-impact" home business. No-impact home businesses employ residents within the home or immediate family members, do not generate noise or odors, do not impact street traffic, and sell lawful goods and services. Recent estimates show that nearly half of America's 30 million small businesses are home-based. Policies that protect entrepreneurs and bolster opportunity are important for creating sustainable economic growth. The Arizona House passed the bill, 31-27, on March 28, 2023. The Arizona Senate passed it, 16-13, on February 22, 2023. Governor Hobbs vetoed the bill.

Arizona 2023 | Senate Vote Descriptions

SB 1167

SIGNIFICANT UNEMPLOYMENT INSURANCE REFORM

(CFGF SUPPORTS)

This bill implements reforms in the state's unemployment insurance program. Specifically, the legislation pegs the number of weeks individuals may receive benefits to the state's unemployment rate, limiting benefits to a new lowered minimum of 12 weeks and a new lowered maximum of 20 weeks. The bill helps move people out of unemployment and back into the workforce. Policy reforms that encourage re-employment lead to a healthier and more productive workforce while serving as a foundation for sustainable growth. The Arizona House rejected the bill, 29-31, on June 12, 2023. The Arizona Senate passed it, 16-14, on March 2, 2023.

SB 1281

ACROSS-THE-BOARD INCOME TAX REBATE (CFGF SUPPORTS)

This bill implements a one-time income tax rebate for hardworking Arizonans. Specifically,

the legislation provides everyone who filed a return for 2022 with a rebate equal to \$200 for married filing separately and \$400 for married filing jointly. Estimates suggest the rebate provides \$936 million in total income tax relief for Arizona families and households. While rebates on consumption taxes typically function as little more than stimulus checks, rebating income taxes in a broad-based fashion returns the hard-earned labor of workers that belonged to them in the first place. The Arizona Senate passed the bill, 16-13, on February 22, 2023. The Arizona House did not take it up.

SB 1312

VEHICLE TRACKING TAX PROHIBITION

(CFGF SUPPORTS)

This bill preempts local governments from imposing new vehicle taxes. Specifically, the legislation prohibits cities, counties, and other municipal subdivisions from imposing or collecting mileage fees, mileage taxes, permile fees, or any type of vehicle tracking tax. Climate change zealots in states like Oregon and

means of coercing behavior in service to a costly and destructive green dogma that ultimately rewards government-preferred interests. Efforts to protect citizens from burdensome new taxes are important for creating long-term prosperity and sustainable growth. The Arizona Senate passed the bill, 16-12, on February 16, 2023. The Arizona House did not take it up.

Virginia have pushed vehicle mileage taxes as a

SB 1500

PROHIBITION ON TAXPAYER-FINANCED ESG INVESTMENTS

(CFGF SUPPORTS)

This bill prevents individuals, including hedge funds and private equity funds, responsible for managing the portfolios of taxpayer-funded pensions from abandoning their fiduciary duty in favor of a political agenda. Specifically, the legislation requires the state treasurer to make state investments and investment managers publicly available information and constrains those charged with overseeing the nearly \$60 billion in Arizona's pension system to only

SB 1502

GREEN ENERGY GRID MANDATES

(CFGF OPPOSES)

This bill instructs public service corporations in Arizona to put the interests of the green lobby ahead of families and workers. Specifically, the legislation requires power companies to prioritize reducing carbon emissions and using green energy while utilizing the "lowest-cost" methods within those parameters. Additionally, the legislation requires public service corporations to utilize specific percentages of renewable energy in their power generation on an annual basis. Green energy mandates have directly contributed to skyrocketing utility costs and led to increasingly unstable grids, which jeopardize the health and livelihood of hardworking families and taxpayers. The Arizona Senate rejected the bill, 14-15, on February 22, 2023. The Arizona House did not take it up.

SB 1559

CRONY BUSINESS TAX CARVEOUT

(CFGF OPPOSES)

This bill creates a special tax exemption for certain businesses in Arizona. Specifically, the legislation exempts "new businesses" headquartered in Arizona that have been in operation for less than five years from paying the Transaction Privilege Tax (TPT) license fee or any fees associated with the Arizona Corporation Commission and Secretary of State. Estimates suggest the carveout is worth at least \$4.7 million over the next three years. Additionally, the bill encourages the Department of Administration to award five percent of all taxpayer-funded state contracts to these new businesses on an annual basis. Instead of rewarding select businesses with tax breaks and special favors that further complicate the state's tax base, lawmakers should reduce bureaucratic fees and burdensome taxes across the board for all businesses. The Arizona House

rejected the bill, 27-33, on June 12, 2023. The Arizona Senate passed it, 16-12, on March 14, 2023.

SB 1562

EXPANDED CORPORATE WELFARE PROGRAM

(CFGF OPPOSES)

This bill significantly expands a crony corporate welfare tax credit. Specifically, the legislation increases the aggregate annual cap for the refundable research and investment tax credit by 100 percent from \$5 million to \$10 million. Additionally, the bill appropriates more than \$50 million to the Arizona Commerce Authority for the reinvestment of unused credits, allows the credit to be carried forward 10 or 15 years depending on the amount of the credit that exceeds an individual's tax liability, and caps an applicant's credit reinvestment at \$10 million. Lawmakers should not wield the tax code to reward wellconnected special interests at the expense of hardworking families and households. The Arizona Senate rejected the bill, 10-19, on March 21, 2023. The Arizona House did not take it up.

ARIZONA SENATE VOTE **DESCRIPTIONS**

Arizona 2023 | Senate Vote Descriptions

SB 1577

SIGNIFICANT INCOME TAX REFORMS

(CFGF SUPPORTS)

This bill implements structural reforms that return excess state revenues derived from individual income taxes to hardworking Arizonans. Specifically, the legislation creates a process for comparing the state's growth limit with revenues to determine a structural surplus, illustrating the difference between General Fund revenue and General Fund spending. This structural surplus is then multiplied by 50 percent to determine the total value of an annual income tax reduction from the existing 2.5 percent rate. While it is difficult to determine precisely how much money this would eventually save taxpayers, it implements an automatic trigger predicated on the correct view that taxpayer-provided revenue ultimately belongs to the taxpayers. The Arizona House rejected the bill, 29-31, on June 12, 2023. The Arizona Senate passed it, 16-13, on February 22, 2023.

SB 1585

NEW HOMELESS WELFARE PACKAGE

(CFGF OPPOSES)

This bill creates a series of new welfare housing programs. Specifically, the legislation creates a \$95 million housing grant program, a \$50 million pilot program to purchase vacant spaces for homeless populations, and \$10 million in subsidized rental assistance and eviction prevention for low-income households. Additionally, the bill's author intends to increase the annual appropriation for this new program by 645 percent to \$1 billion. Instead of creating new and ever-expanding governmentrun welfare programs that burden hardworking Arizonans with minimal results, lawmakers should focus instead on empowering market forces and non-profits to help alleviate homelessness in Arizona.

SB 1720

COMPROMISE BUDGET AGREEMENT

(CFGF OPPOSES)

This bill implements the appropriations bills for the FY2023-24 budget. Specifically, the legislation allocates \$17.8 billion in General Fund spending, a 14.3 percent increase in the yearover-year recurring base of the General Fund. Additionally, the bill incorporates a 9.6 percent increase in base Medicaid spending equal to \$220 million, a 53 percent increase in Commerce Authority spending that includes \$21 million in rural broadband corporate welfare, and an eyepopping 119 percent increase in Department of Housing spending to facilitate new welfare programs. It should be noted that the budget successfully kept out some progressive biggovernment items on eliminating Education Savings Accounts and included a substantial income tax rebate. However, the budget ultimately inflates the baselines of key agencies and welfare programs that will burden hardworking Arizonans in the years ahead. The Arizona House passed the bill, 47-12, on May 10, 2023. The Arizona Senate passed it, 25-5, on the same day.



60 MEMBERS

Arizona House Snapshot

31 Republicans

29 Democrats

O Independent

O Vacancies

Average Republican Score: 76%

(Down from 78% in 2022)

Average Democrat Score: 7% (Up from 3% in 2022)





HIGHEST-RATED REPUBLICANS

Rep. Justin Heap (HD-10) | 97% Rep. Barbara Parker (HD-10) | 97%



LOWEST-RATED REPUBLICAN

Rep. Matt Gress (HD-4) | 52%



HIGHEST-RATED DEMOCRAT

Rep. Mariana Sandoval (HD-23) | 12%





Rep. Flavio Bravo (HD-26) | 0%
Rep. Laura Terech (HD-4) | 0%

ABOUT THE FOUNDATION

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ARIZONA HOUSE SNAPSHOT

> ARIZONA HOUSE VOTES

ARIZONA HOUSE VOTE DESCRIPTIONS

ARIZONA HOUSE **VOTES**

Arizona 2023 | House Scorecard

Name	District	Party	Score	Life- score	HB2003	HB2014	HB2040	HB2209	HB2254	HB2432	HB2440	HB2472	HB2499	HB2543	HCR2006	SB1063	SB1136	SB1144	SB1162	SB1167	SB1500	SB1559	SB1577	SB1720	Rank
PRO-GROWTH POSITION					Υ	Υ	N	N	Υ	N	Υ	Υ	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	N	Υ	N	
POINTS					8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	4	9	3	
Aguilar, Cesar	HD-26	D	8%	8%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Austin, Lorena	HD-09	D	4%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Biasiucci, Leo	HD-30	R	66%	83%	8	5	5	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	20
Blattman, Seth	HD-09	D	4%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Bliss, Selina	HD-01	R	61%	61%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Bravo, Flavio	HD-26	D	0%	0%	-	-	-	-	I	-	-	-	-	-	-	-	ı	ı	-	ı	ı	ı	ı	ı	59
Cano, Andres	HD-20	D	8%	8%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Carbone, Michael	HD-25	R	61%	61%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Carter, Neal	HD-15	R	91%	94%	8	5	5	4	3	8	5	3	5	-	3	7	4	4	4	6	4	4	9	-	6
Chaplik, Joseph	HD-03	R	93%	98%	8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	-	9	-	3
Contreras, Lupe	HD-22	D	11%	3%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Contreras, Patricia	HD-12	D	7%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	3	48
Cook, David	HD-07	R	60%	70%	8	5	5	-	3	8	5	3	5	-	3	7	-	-	4	-	4	-	-	-	30
Crews, Quanta	HD-26	D	n/a	n/a	ı	ı	I	ı	ı	I	ı	ı	ı	ı	ı	ı	ı	I	ı	-	ı	4	-	ı	
De Los Santos, Oscar	HD-11	D	11%	11%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Diaz, Lupe	HD-19	R	79%	81%	8	5	5	-	3	8	5	3	5	-	3	7	-	4	4	6	4	-	9	-	16
Dunn, Timothy	HD-25	R	61%	66%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Gillette, John	HD-30	R	61%	61%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Grantham, Travis	HD-14	R	83%	91%	8	5	5	4	3	8	5	3	5	-	3	7	-	4	4	6	4	-	9	_	12
Gress, Matt	HD-04	R	52%	52%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	-	-	31
Griffin, Gail	HD-19	R	83%	83%	8	5	5	-	3	8	5	3	5	-	3	7	-	4	4	6	4	4	9	-	12

ARIZONA HOUSE VOTES

Arizona 2023 | **House Scorecard (Continued)**

Name	District	Party	Score	Life- score	HB2003	HB2014	HB2040	HB2209	HB2254	HB2432	HB2440	HB2472	HB2499	HB2543	HCR2006	SB1063	SB1136	SB1144	SB1162	SB1167	SB1500	SB1559	SB1577	SB1720	Rank
PRO-GROWTH POSITION					Υ	Υ	N	N	Υ	N	Υ	Υ	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	N	Υ	N	
POINTS					8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	4	9	3	
Gutierrez, Nancy	HD-18	D	11%	11%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Harris, Liz	HD-13	R	90%	90%	8	5	5	4	ı	8	5	3	5	-	3	7	ı	ı	4	ı	ı	ı	ı	ı	8
Heap, Justin	HD-10	R	97%	97%	8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	4	9	-	1
Hendrix, Laurin	HD-14	R	81%	81%	8	5	5	4	3	-	5	3	5	6	3	7	-	4	4	6	4	-	9	-	15
Hernandez, Alma	HD-20	D	5%	10%	-	-	-	-	-	-	-	-	Х	х	Х	-	Х	-	Х	-	-	4	-	-	50
Hernandez, Consuelo	HD-21	D	4%	4%	-	-	-	-	-	-	-	-	-	-	Х	-	х	-	Х	-	-	4	-	-	51
Hernandez, Lydia	HD-24	D	4%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Hernandez, Melody	HD-08	D	11%	13%	-	-	-	-	-	-	-	Х	-	-	-	-	4	-	-	-	-	4	-	3	33
Jones, Rachel	HD-17	R	86%	86%	8	5	5	4	3	8	5	3	5	-	3	7	Х	4	4	6	4	-	9	-	11
Kolodin, Alexander	HD-03	R	93%	93%	8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	-	9	-	3
Livingston, David	HD-28	R	67%	72%	8	5	-	-	3	-	5	3	-	6	3	7	-	4	4	6	4	-	9	-	19
Longdon, Jennifer	HD-05	D	8%	7%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Marshall, David	HD-07	R	79%	79%	8	5	5	-	3	8	5	3	5	-	3	7	-	4	4	6	4	-	9	-	16
Martinez, Teresa	HD-16	R	61%	62%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Mathis, Christopher	HD-18	D	11%	6%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
McGarr, Cory	HD-17	R	87%	87%	8	5	5	4	3	8	5	3	5	-	3	7	4	4	4	6	4	-	9	-	9
Montenegro, Steve	HD-29	R	83%	83%	8	5	5	-	3	8	5	3	Х	х	3	7	-	4	4	6	4	-	9	-	12
Nguyen, Quang	HD-01	R	61%	75%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	_	22
Ortiz, Analise	HD-24	D	4%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Parker, Barbara	HD-10	R	97%	97%	8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	4	9		1
Parker, Jacqueline	HD-15	R	91%	97%	8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	-	4	4	9	-	6

ARIZONA HOUSE VOTES

Arizona 2023 | **House Scorecard (Continued)**

Name	District	Party	Score	Life- score	HB2003	HB2014	HB2040	HB2209	HB2254	HB2432	HB2440	HB2472	HB2499	HB2543	HCR2006	SB1063	SB1136	SB1144	SB1162	SB1167	SB1500	SB1559	SB1577	SB1720	Rank
PRO-GROWTH POSITION					Υ	Υ	N	N	Υ	N	Υ	Υ	N	N	Υ	Υ	N	Υ	Υ	Υ	Υ	N	Υ	N	
POINTS					8	5	5	4	3	8	5	3	5	6	3	7	4	4	4	6	4	4	9	3	
Pawlik, Jennifer	HD-13	D	4%	8%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Payne, Kevin	HD-27	R	70%	86%	8	5	-	4	3	-	5	3	5	-	3	7	-	4	4	6	4	-	9	-	18
Pena, Michele	HD-23	R	61%	61%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22
Peshlakai, Mae	HD-06	D	8%	8%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Pingerelli, Beverly	HD-28	R	87%	96%	8	5	5	4	3	8	5	3	5	-	3	7	4	4	4	6	4	-	9	-	9
Quiñonez, Marcelino	HD-11	D	8%	4%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Salman, Athena	HD-08	D	11%	16%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Sandoval, Mariana	HD-23	D	12%	12%	-	-	-	-	х	-	-	-	-	-	-	-	4	х	-	-	х	4	-	3	32
Schwiebert, Judy	HD-02	D	8%	5%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	42
Seaman, Keith	HD-16	D	4%	4%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Shah, Amish	HD-05	D	7%	7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	3	48
Smith, Austin	HD-29	R	93%	93%	8	5	5	4	3	8	5	3	5	6	3	7	Х	4	4	6	4	-	9	-	3
Stahl Hamilton, Stephanie	HD-21	D	11%	9%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Sun, Leezah	HD-22	D	11%	11%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Terech, Laura	HD-04	D	0%	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59
Toma, Ben	HD-27	R	66%	75%	8	5	5	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	20
Travers, Stacey	HD-12	D	11%	11%	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	3	33
Tsosie, Myron	HD-06	D	4%	5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	51
Willoughby, Julie	HD-13	R	n/a	n/a	ı	I	ı	ı	3	I	I	ı	ı	ı	ı	ı	-	4	I	6	4	-	9	-	
Wilmeth, Justin	HD-02	R	61%	65%	8	5	-	-	3	-	5	3	-	-	3	7	-	4	4	6	4	-	9	-	22

Arizona 2023 | House Vote Descriptions

HB 2003

GAME CHANGING CORPORATE INCOME TAX REDUCTION

(CFGF SUPPORTS)

This bill implements significant new tax relief for businesses in Arizona. Specifically, the legislation reduces the existing state corporate income tax from 4.9 percent to 2.5 percent starting January 1, 2026. Estimates suggest that these measures will save businesses \$223 million over the next fiscal year and nearly \$1.7 billion from the corporate rate cut over the next four years. The legislation ensures that Arizona is tied with North Carolina for the lowest corporate income tax rate in the nation, transforming Arizona almost immediately into one of the most attractive states for small business ownership and development. The Arizona House passed the bill, 31-29, on February 21, 2023. The Arizona Senate did not take it up.

HB 2014

EXPANDED SCHOOL CHOICE CONTRIBUTION PROGRAM

(CFGF SUPPORTS)

This bill increases the aggregate annual tax credit cap for donations to School Tuition Organizations (STOs). Specifically, the legislation increases the existing \$6 million aggregate cap to \$20 million by FY 2024-25, providing larger tax incentives for small businesses and corporations to contribute to STOs that provide tuition assistance for foster children and students with disabilities. Additionally, the legislation expands STO assistance beyond tuition to include transportation, textbooks, and uniforms. Arizona has one of the most robust school choice ecosystems in America and this legislation continues that legacy for parents and special needs students seeking a path beyond failing government schools. The Arizona House passed the bill, 31-29, on March 7. 2023. The Arizona Senate did not take it up.

HB 2040

INCREASED MUNICIPAL TAXING AUTHORITY

(CFGF OPPOSES)

This bill increases the ability of municipal governments to issue industrial development bonds in Arizona. Specifically, the legislation lowers the population threshold for city and county governments to issue so-called industrial development bonds by authorizing bond authority for municipalities and counties with at least 3 percent of the total state population. Previously, the eligibility threshold was at least 7 percent of the population. This greatly expands the ability of Pinal and Yavapai County as well as individual cities like Glendale, Scottsdale, and Gilbert to levy new taxes on its hardworking citizens. The Arizona House passed the bill, 40-20, on March 23, 2023. The Arizona Senate did not take it up.

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ARIZONA HOUSE VOTE **DESCRIPTIONS**

Arizona 2023 | **House Vote Descriptions**

HB 2209

CRONY ECONOMIC DEVELOPMENT **EXPANSION**

(CFGF OPPOSES)

This bill extends and expands a crony economic development agency. Specifically, the legislation sunsets the agency in 2028, extending its authorization for another four years. Additionally. the bill only sunsets the agency if certain criteria are met, including whether the agency has any remaining obligations and whether it has paid off its outstanding debts for various projects. Lastly, the legislation grants the Arizona Industrial Development Authority the power to issue industrial bonds to well-connected entities and special interests. The Arizona House passed the bill. 46-14. on March 23, 2023. The Arizona Senate passed it, 23-6, on June 12, 2023.

HB 2254

NEW STATE REGULATORY REFORM **PROVISION**

(CFGF SUPPORTS)

This bill gives the legislature new tools for reining in excessive state regulations. Specifically, the

legislation requires the Legislature to approve any regulation with an estimated fiscal impact of \$500,000 or more over five years. This approach mirrors the federal REINS Act and provides an important check on unaccountable bureaucrats attempting to impose their ideological agenda through agency edicts. The Arizona House passed the bill, 31-27, on May 15, 2023. The Arizona Senate passed it, 16-14, on April 4, 2023. Governor Hobbs vetoed the bill.

HB 2432

SUPPLEMENTAL MEDICAID SPENDING BONANZA

(CFGF OPPOSES)

This bill allocates significant new spending for the current fiscal year. Specifically, the legislation appropriates new funding for FY2022-23 equal to \$3.6 billion to cover the state Medicaid program's cost overruns for the current fiscal year. Medicaid expansion has resulted in nearly one in three Arizonans being enrolled in a program rife with fraud and poor health outcomes. Lawmakers should focus on moving Arizonans off Medicaid and

constraining spending instead of funneling ever higher amounts of taxpaver resources to keep massive welfare programs afloat. The Arizona House passed the bill, 43-17, on February 22, 2023. The Arizona Senate passed it, 26-3, on May 3, 2023.

HB 2440

GRID RELIABILITY PRIORITIZATION

(CFGF SUPPORTS)

This bill instructs public power entities in Arizona to put the needs of families and working households first. Specifically, the legislation requires power companies to prioritize reliability and affordability when making decisions on infrastructure investment, power generation, and power distribution. This means utilities will make use of stable and affordable sources of energy like coal and natural gas as opposed to unreliable and costly solar and wind power. Green energy mandates have directly contributed to skyrocketing utility costs and led to increasingly unstable grids, which jeopardize the health and livelihood of hardworking families and taxpayers. The

Arizona House passed the bill, 31-29, on February 28, 2023. The Arizona Senate passed it, 16-13, on March 28, 2023. Governor Hobbs vetoed the bill.

HB 2472

SOCIAL CREDIT SCORE PROHIBITION

(CFGF SUPPORTS)

This bill prohibits the implementation of a communist-style social credit system in Arizona. Specifically, the legislation prohibits any bank or financial institution from using a social credit system to determine whether to lend money to a customer. Social credit systems discriminate against individuals and groups of people based on their political, religious, economic, or social views, imposing steep financial costs for holding beliefs deemed out of favor by the ruling class. Such systems are a direct threat to freedom and contrary to the very ethos of the American way of life. The Arizona House passed the bill, 31-28, on February 21, 2023. The Arizona Senate passed it, 16-13, on March 28, 2023. Governor Hobbs vetoed the bill.

HB 2499

FOOD STAMP ELIGIBILITY EXPANSION

(CFGF OPPOSES)

This bill authorizes the creation of a pilot program to expand food stamps in Arizona. Specifically, the legislation instructs the Department of Economic Security (DES) to develop a pilot program that allows food stamp eligibility to households who no longer qualify. The bill empowers DES to create new eligibility criteria beyond existing federal poverty parameters and allows for state bureaucrats to determine the length of time individuals and households may receive food welfare before being forced to transition off the program. Instead of delegating its authority to unelected bureaucrats, lawmakers should implement work-oriented reforms to move individuals out of dependency. The Arizona House passed the bill, 40-18, on March 8, 2023. The Arizona Senate did not take it up.

HB 2543

MASSIVE TRANSPORTATION SPENDING BILL

(CFGF OPPOSES)

This bill allocates significant funding for numerous highway and road infrastructure projects. Specifically, the legislation appropriates more than \$330 million for some 93 statewide projects at the behest of regional planning commissions and municipal governments. These commissions operate at the state level like appropriators at the federal level, essentially requesting earmarks for special projects in their districts that frequently benefit well-connected special interests at the expense of taxpayers. While many of the individual projects listed may well be worthy of funding. lawmakers should refrain from rolling local funding requests into massive appropriations packages for a single up-or-down vote. The Arizona House passed the bill, 50-8, on March 8, 2023. The Arizona Senate did not take it up.

ARIZONA

SNAPSHOT

ARIZONA HOUSE VOTE **DESCRIPTIONS**

Arizona 2023 | **House Vote Descriptions**

HCR 2006

SPECIAL REPEAL SESSION

(CFGF SUPPORTS)

This resolution creates a new session designed to reduce the size and scope of government. Specifically, the legislation establishes a "repeal session" every two years beginning in October that limits consideration of legislation solely to bills that repeal laws enacted three or more years before the special repeal session. This approach is a responsible model that not only highlights the excesses of government, but also provides a direct remedy for failed programs and policies that have negatively impacted the lives of hardworking Arizonans. The Arizona House passed the resolution, 31-27, on March 28, 2023. The Arizona Senate did not take it up.

SB 1063

MUNICIPAL GROCERY TAX REPEAL

(CFGF SUPPORTS)

This bill implements a significant tax reduction for families and households. Specifically, the legislation eliminates the ability of local governments and municipalities to impose a

Transaction Privilege Tax (TPT) on groceries. Estimates suggest the elimination of the local transaction privilege tax for groceries would save taxpayers \$568 million over the next three years. Eliminating burdensome taxes is the cleanest and most effective way to provide needed relief for hardworking Arizonans. The Arizona House passed the bill, 31-29, on March 22, 2023. The Arizona Senate passed it, 16-13, on February 27, 2023. Governor Hobbs vetoed the bill.

SB 1136

NEW BIG GOVERNMENT HOUSING GRANT PROGRAM

(CFGF OPPOSES)

This bill authorizes the creation of a massive new taxpayer-funded government housing program. Specifically, the legislation creates a new competitive grant program for housing development that mandates the usage of costly renewable energy and green materials and requires municipalities to adhere to rating systems overseen by federal green housing bureaucracies. The program subsidizes transitional military housing, dwellings for the homeless, and housing for low-income populations. Additionally, the cost of the new program remains unclear and is largely subject to appropriations. Subsidized housing creates significant market distortions, enriches well-connected developers, and burdens hardworking taxpayers. The Arizona House passed it, 31-24, on May 9, 2023. The Arizona Senate passed it, 23-5, on March 1, 2023.

SB 1144

TARGETED CENTRAL BANK DIGITAL **CURRENCY PROHIBITION**

(CFGF SUPPORTS)

This bill prohibits the use of a prospective central bank digital currency (CBDC) in Arizona. Specifically, the legislation expressly recognizes legal tender in the state to be any medium of exchange authorized by the U.S. Constitution or Congress except for a digital currency issued by the Federal Reserve or other related entity. Additionally, the bill prohibits the recognition of CBDCs as a form of money altogether, including CBDCs issued by foreign governments. This is an important protection for families, workers, and consumers as a central digital currency would, in effect, give the federal government control over every citizen's bank account in a massive reorganization of the relationship between citizens and government. The Arizona House passed the bill, 30-28, on May 15, 2023. The Arizona Senate passed it, 16-14, on February 28, 2023.

SB 1162

HOME BUSINESS REGULATORY PREEMPTION

(CFGF SUPPORTS)

This bill preempts local governments from imposing onerous regulations on home-based businesses. Specifically, the legislation prohibits municipalities and counties from mandating rezoning, licenses, permits, or other approval mechanisms for operating a "no-impact" home business. No-impact home businesses employ residents within the home or immediate family members, do not generate noise or odors, do not impact street traffic, and sell lawful goods and services. Recent estimates show that nearly half of America's 30 million small businesses are home-based. Policies that protect entrepreneurs and bolster opportunity are important for creating sustainable economic growth. The Arizona House passed the bill, 31-27, on March 28, 2023. The Arizona Senate passed it, 16-13, on February 22, 2023. Governor Hobbs vetoed the bill.

SB 1167

SIGNIFICANT UNEMPLOYMENT INSURANCE REFORM

(CFGF SUPPORTS)

This bill implements reforms in the state's unemployment insurance program. Specifically, the legislation pegs the number of weeks individuals may receive benefits to the state's unemployment rate, limiting benefits to a new lowered minimum of 12 weeks and a new lowered maximum of 20 weeks. The bill helps move people out of unemployment and back into the workforce. Policy reforms that encourage re-employment lead to a healthier and more productive workforce while serving as a foundation for sustainable growth. The

Arizona House rejected the bill, 29-31, on June 12, 2023. The Arizona Senate passed it. 16-14. on March 2, 2023.

SB 1500

PROHIBITION ON TAXPAYER-FINANCED ESG INVESTMENTS

(CFGF SUPPORTS)

This bill prevents individuals, including hedge funds and private equity funds, responsible for managing the portfolios of taxpaver-funded pensions from abandoning their fiduciary duty in favor of a political agenda. Specifically, the legislation requires the state treasurer to make state investments and investment managers publicly available information and constrains those charged with overseeing the nearly \$60 billion in Arizona's pension system to only engage with companies for the sole purpose of maximizing shareholder value as opposed to those that prioritize woke Environmental, Social, Governance (ESG) practices. The Arizona House passed the bill, 31-27, on May 15, 2023. The Arizona Senate passed it, 16-14, on February 28, 2023. Governor Hobbs vetoed the bill.

ARIZONA HOUSE VOTE **DESCRIPTIONS**

Arizona 2023 | **House Vote Descriptions**

SB 1559

CRONY BUSINESS TAX CARVEOUT

(CFGF OPPOSES)

This bill creates a special tax exemption for certain businesses in Arizona. Specifically, the legislation exempts "new businesses" headquartered in Arizona that have been in operation for less than five years from paying the Transaction Privilege Tax (TPT) license fee or any fees associated with the Arizona Corporation Commission and Secretary of State. Estimates suggest the carveout is worth at least \$4.7 million over the next three years. Additionally, the bill encourages the Department of Administration to award five percent of all taxpayer-funded state contracts to these new businesses on an annual basis. Instead of rewarding select businesses with tax breaks and special favors that further complicate the state's tax base, lawmakers should reduce bureaucratic fees and burdensome taxes across the board for all businesses. The Arizona House rejected the bill, 27-33, on June 12, 2023. The Arizona Senate passed it, 16-12, on March 14, 2023.

SB 1577

SIGNIFICANT INCOME TAX REFORMS

(CFGF SUPPORTS)

This bill implements structural reforms that return excess state revenues derived from individual income taxes to hardworking Arizonans. Specifically, the legislation creates a process for comparing the state's growth limit with revenues to determine a structural surplus, illustrating the difference between General Fund revenue and General Fund spending. This structural surplus is then multiplied by 50 percent to determine the total value of an annual income tax reduction from the existing 2.5 percent rate. While it is difficult to determine precisely how much money this would eventually save taxpayers, it implements an automatic trigger predicated on the correct view that taxpayer-provided revenue ultimately belongs to the taxpayers. The Arizona House rejected the bill, 29-31, on June 12, 2023. The Arizona Senate passed it, 16-13, on February 22, 2023.

SB 1720

COMPROMISE BUDGET AGREEMENT

(CFGF OPPOSES)

This bill implements the appropriations bills for the FY2023-24 budget. Specifically, the legislation allocates \$17.8 billion in General Fund spending, a 14.3 percent increase in the yearover-vear recurring base of the General Fund. Additionally, the bill incorporates a 9.6 percent increase in base Medicaid spending equal to \$220 million, a 53 percent increase in Commerce Authority spending that includes \$21 million in rural broadband corporate welfare, and an eyepopping 119 percent increase in Department of Housing spending to facilitate new welfare programs. It should be noted that the budget successfully kept out some progressive biggovernment items on eliminating Education Savings Accounts and included a substantial income tax rebate. However, the budget ultimately inflates the baselines of key agencies and welfare programs that will burden hardworking Arizonans in the years ahead. The Arizona House passed the bill, 47-12, on May 10, 2023. The Arizona Senate passed it, 25-5, on the same day.