

CENTER FOR ARIZONA POLICY

GUIDE TO ARIZONA’S 2018 BALLOT PROPOSITIONS

Prepared by Center for Arizona Policy (CAP) to assist voters. This guide summarizes each ballot proposition, including summary of support and oppose arguments as submitted to the Arizona Secretary of State. The full text of the propositions and arguments may be found at <https://azsos.gov/elections/2018-publicity-pamphlet>.

| | Summary | Arguments For | Arguments Against |
|-----------------|---|--|--|
| Prop 125 | <ul style="list-style-type: none"> Amends the Arizona Constitution to create an exception to the current prohibition against diminishing or impairing public retirement system benefits by allowing certain adjustments to the Corrections Officer Retirement Plan and the Elected Officials’ Retirement Plan Replaces the current permanent benefit increase with a new compounding cost-of-living adjustment. | <ul style="list-style-type: none"> Prop 125 is a bipartisan common sense solution to the underfunded Elected Officials’ Retirement Plan and the Corrections Officer Retirement Plan. Prop 125 will protect the middle class retirement promised and put in place a reasonable cost-of-living adjustment for retired members. The current benefit increase is unsustainable, threatening the government’s ability to pay for infrastructure, transportation, and other needs. This small but meaningful change will help save taxpayers \$275 million over the next several decades. | <ul style="list-style-type: none"> The state and local agencies will have trouble hiring employees if they cut retirement benefits. Retired corrections officers should get all the benefits that they were promised. |
| Prop 126 | <ul style="list-style-type: none"> Amends the Arizona Constitution to prohibit this state and any city, town, county or any other political subdivision of this state from imposing any new or increasing any existing transaction-based fee, assessment or tax, including a transaction privilege (sales) tax, on any service performed in this state. | <ul style="list-style-type: none"> Prop 126 would prevent taxes on services like, childcare, healthcare, haircuts, dry cleaning, car repairs, physicians, banking, real estate, veterinary, lawn care, advertising, and accounting, to name a few. Prop 126 provides critical protection to Arizona working families. Low taxation has allowed Arizona to maintain a competitive advantage over other states, creating more job opportunities for individuals and has thus, allowed Arizonans to thrive and prosper. https://protectaztaxpayers.com/ | <ul style="list-style-type: none"> Prop 126 would exempt certain kinds of businesses in the service industry from paying taxes. That means that other kinds of businesses will have to pay more taxes to compensate for this special treatment. Tax policy belongs in a statute, not in a state constitution. If there are some services that we think should remain exempt from a sales tax, for example childcare services or even the commissions paid to realtors, then let’s debate and vote on them one by one. But a constitutional amendment to block possible sales tax on any and all service transactions is a mistake. https://www.noprop126.com/ |

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| Prop 127 | <ul style="list-style-type: none"> Amends the Arizona Constitution to require utility companies that produce electricity and that are regulated by the Arizona Corporation Commission (this excludes SRP) to generate at least 50% of their annual sales of electricity from renewable energy sources. | <ul style="list-style-type: none"> Clean energy is good for our health because it reduces dirty air and water pollution. Arizona has more sunshine than any other state, and yet only about 6% of our energy comes from clean, solar power. Renewable energy is clean and affordable, and every child with asthma is more important than protecting the profits of utility companies. Prop 127 will create new solar power jobs. Prop 127 will provide more affordable, reliable and clean energy. Clean energy is good for consumers because it is cheaper and it reduces our rates. https://cleanhealthyaz.com/ | <ul style="list-style-type: none"> Utility bills will dramatically increase for Arizona families, churches, and schools. Families will pay \$1,000-\$1,200 more per year. Prop 127 will harm Arizona’s economic development and cost Arizona jobs as corporate and industrial rates would double. It will hurt Arizona schools because they will have to pay almost double for their electricity, taking needed funds away from educational priorities. Prop 127 unfairly excludes SRP (Arizona’s largest carbon-emitting utility), so only APS customers will see the increased utility bills. Prop 127 is funded by Tom Steyer, a California billionaire, who is trying to force his agenda on Arizona. Prop 127 unnecessarily excludes nuclear power and will force the closure of the Palo Verde Nuclear Generating Station, even though it is the country’s largest supplier of carbon-free energy. https://votenoprop127.com/ <p style="text-align: center;">Center for Arizona Policy encourages a “NO” vote on Prop 127</p> |
| Prop 305 | <ul style="list-style-type: none"> Expands the Empowerment Scholarship Account (ESA) program to all public school students during a four year phase in period with a built in annual growth cap. The ESA program allows parents to withdraw their children from public school and receive 90% of state funds allocated for their child to use for a variety of educational expenses, including therapy, tutors, curriculum, and tuition at private schools. | <ul style="list-style-type: none"> More children will have the opportunity to find the educational setting that best meets their unique educational needs. Prop 305 has strong accountability and transparency requirements. The ESA program saves taxpayers money because ESA students only get 90% of state funds allocated for the student. The benefits of the ESA program should be extended to all students. They should not be restricted to a limited category of students. The tax dollar funding allocated to the child belongs to the child and therefore should follow the child. When a child leaves a school, expenses associated with the child leave as well. https://yesforedaz.org/ | <ul style="list-style-type: none"> The ESA program takes funding away from public schools. The ESA program diverts tax dollars to private schools. Just because the ESA program has helped students with disabilities, it does not mean it would help other types of students. The ESA program should remain as it is, and only be for students with disabilities or in underperforming schools. https://sosarizona.org/ |

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| Prop 306 | <ul style="list-style-type: none"> • Amends the Citizens Clean Elections Act-- the voluntary system of public funding of election campaigns for statewide and state legislative offices. • Prohibits participating candidates from making direct or indirect payments from candidate’s campaign account to a political party or to a private tax-exempt organization eligible to engage in activities to influence the outcome of a candidate election. • Subjects the Citizens Clean Elections Commission’s rulemaking authority to approval from the Governor’s Regulatory Review Council or Attorney General. | <ul style="list-style-type: none"> • Candidates should not be allowed to transfer taxpayer money to political parties or special interest groups. • Regardless of whether you are a Democrat or a Republican, you probably don’t want your tax dollars going to fund the opposing political party. • The Citizens Clean Elections Commission should abide by the same rules as every other agency. The Commission’s actions should be transparent and accountable to the people. • https://voteyesprop306.com/ <p>Center for Arizona Policy encourages a “YES” vote on Prop 306</p> | <ul style="list-style-type: none"> • Prop 306 is simply the latest attempt to weaken the Clean Elections Commission. • The Commission will no longer be independent if it is subject to the Governor’s Regulatory Review Council. • Prop 306 will negatively affect the Commission’s ability to hold politicians and interest groups accountable. • https://www.azadvocacy.org/noprop306 |