

ATRA OPPOSES HB 2092

PASSAGE WOULD UNDERMINE THE TAXPAYER ACCOUNTABILITY OF THE JAIL DISTRICT LAW

BACKGROUND

In 1989, Arizona's counties argued that the costs of operating jails were increasing much faster than the revenues to operate them.

In cooperation with ATRA, the counties crafted a jail district statute that gave the county boards of supervisors, with voter approval, the ability to create countywide jail districts for the purpose of acquiring, constructing, operating, maintaining, and financing county jails. The law allows counties to fund the jail districts with either a countywide ½ cent sales tax (except Maricopa and Pima) or a secondary property tax that cannot exceed \$0.20 per \$100 of assessed value.

A critical feature of the jail district law was a "maintenance of effort" provision that requires counties that form jail districts to maintain their current spending on jails through an annual general fund transfer to the district.

In addition to the "maintenance of effort" provision, the Legislature specifically excluded jail districts from the list of special districts that counties are allowed to charge for services under ARS 11-251.06.

ATRA'S BASIS FOR OPPOSITION

In crafting the jail district law, the Legislature demanded that if tax increases were going to be sold to the voters under the banner of "county jails" that those new revenues would only be spent for that purpose. To ensure that result, both the maintenance of effort provision, as well as the issue of charges for services, were agreed to by county representatives. Disappointingly, since the passage of the jail district law, several efforts have been made to undermine the agreement reached with ATRA and the counties in 1989. Fortunately, the Legislature has so far rejected those efforts and protected the taxpayer accountability in the county jail district statute.

If passed, HB 2092 would allow a county board of supervisors the authority to siphon funds from the jail district, without limit, under the guise of "reimbursement for services."

The net effect of HB 2092 will be that voter-approved taxes for jails will now also fund general county government — precisely the result the Legislature wanted to avoid when the law was crafted.



ATRA URGES YOU TO VOTE NO ON HB 2092

ARIZONA TAX RESEARCH ASSOCIATION

1814 West Washington Street, Phoenix, Arizona 85007

(602) 253-9121

www.arizonatax.org

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