

# POLICY *report*

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## 2006 Legislative Report Card for Arizona's Forty-seventh Legislature, Second Regular Session

by Andrea Woodmansee, Director of Publications, Goldwater Institute; and Satya Thallam, Former Fiscal Policy Analyst, Goldwater Institute

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### EXECUTIVE SUMMARY

The Arizona Constitution declares that “governments . . . are established to protect and maintain individual rights.”<sup>1</sup> As the lawmaking branch of government, the legislature has the potential to be the greatest guardian or the greatest offender of those constitutionally enshrined rights.

It is difficult, however, to know whether legislators, individually and collectively, respect the government's limited role of protecting individual rights. During the 2006 legislative session, legislators considered nearly 1,600 bills, memorials, and resolutions on issues from equine dentistry to income tax relief. The sheer volume of legislative action makes it almost impossible for citizens to monitor legislative behavior.

As the most comprehensive analysis of the Arizona Legislature, the annual Goldwater Institute *Legislative Report Card* measures each legislator's votes against the yardstick of the state constitution. This year's report card considers 422 legislative votes in four categories: Education, Constitutional Government, Regulation, and Tax and Budget.

By using a straightforward scoring system, this analysis brings transparency to the mass of legislative action during the second regular session of the Forty-seventh Legislature. That transparency is crucial to a free society that depends on a well-informed electorate. As President Andrew Jackson charged, “eternal vigilance by the people is the price of liberty...you must pay the price if you wish to secure the blessing. It behooves you, therefore, to be watchful in your States as well as in the Federal Government.”<sup>2</sup>

This year's scores reveal a trend toward more expansive government. Average scores fell seven points in both the Senate and the House of Representatives, indicating that legislators were more inclined this year than last to create or expand programs, regulation, and spending. Between 2003 and 2005, average scores rose nine points in both the House and Senate. This year's scores have returned to 2003 and 2004 levels. The Regulation category continues to be the major point of weakness, with legislators imposing more rules and limitations on the free market. Average scores are highest in Constitutional Government.

Legislators earning grades in the “A” range for the greatest number of votes cast respecting individual rights and limited government are Reps. Andy Biggs, Judy Burges, Eddie Farnsworth, Russell Pearce, and Collette Rosati; and Sens. Ron Gould, Jack Harper, and Thayer Verschoor.

## *Arizona's Forty-seventh Legislature, Second Regular Session, 2006*

by Andrea Woodmansee, Director of Publications, Goldwater Institute; and Satya Thallam, Former Fiscal Policy Analyst, Goldwater Institute

### Introduction

*A wise and frugal Government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government . . .*<sup>3</sup> —Thomas Jefferson

*The primary purpose of government is to protect the rights of individuals, thereby enabling citizens to coexist in relative peace. However, lawmakers' good intentions and political considerations for certain groups and special interests often displace that fundamental role.*

The primary purpose of government is to protect the rights of individuals, thereby enabling citizens to coexist in relative peace. However, lawmakers' good intentions and political considerations for certain groups and special interests often displace that fundamental role, creating instead a government of multiplying agencies and powers. That growth entrenches government into numerous aspects of life and requires increasing taxpayer resources.

Government growth, however, is not inevitable. Through elections, citizens can hold legislators accountable. Unfortunately, the complexity of the legislative process and the sheer volume of legislation—nearly 1,600 bills, memorials, and resolutions introduced this session—make it difficult for voters to monitor their representatives' voting behavior.

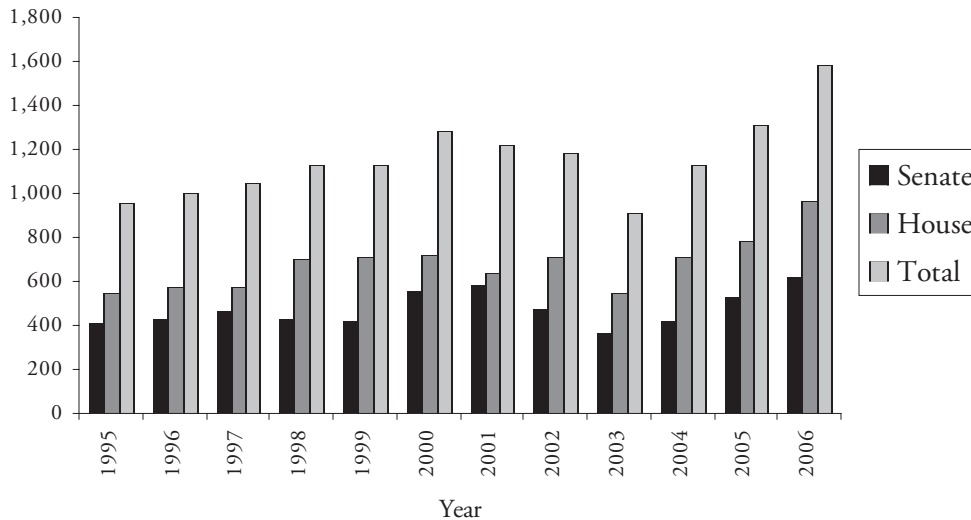
A sampling of bills introduced

during the Forty-seventh Legislature's second regular session reveals a trend toward more government. Many bills expanded existing government programs, created new agencies, and increased spending. Very few bills significantly modified, reduced, or eliminated programs. If liberty is the primary interest of a free society, with minimal government being necessary to protect rights, then this trend should be troubling to Arizonans.

This report card brings transparency to the legislative process so that citizens can hold their elected representatives accountable. As one Arizona newspaper commented with the publication of the first *Legislative Report Card*, "if you embrace the political ideals of Goldwater, the Institute's report card is an apt guide of legislative performance. If Goldwater's politics offend you, low-scoring lawmakers are right up your political alley."<sup>4</sup>

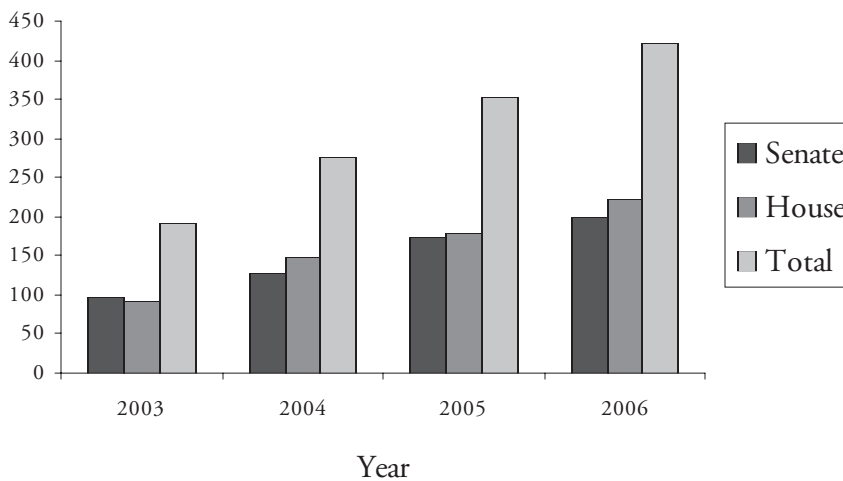
In this report, we measure how well Arizona's Forty-seventh Legislature upheld constitutional principles in its second regular session. The report gives individual legislators an overall grade and assesses performance in four distinct policy areas: Education, Constitutional Government, Regulation, and Tax and Budget. By analyzing 422 votes (199 in the Senate and 223 in the House of Representatives), this report card attempts to reduce the potential

**Figure 1: Number of Legislative Bills Introduced**



Source: Arizona State Legislature, [www.azleg.state.az.us/Bills.asp](http://www.azleg.state.az.us/Bills.asp); author's calculations.

**Figure 2: Number of Votes Included in Report**



*This report card brings transparency to the legislative process so that citizens can hold their elected representatives accountable.*

selection biases of other ratings based on smaller portions of legislative activity.<sup>5</sup>

This report filters the legislative session through clear, objective criteria, and into easily understandable grades. By assigning total scores, the report gives a summary view of each legislator's

commitment to constitutional principles.<sup>6</sup> To reveal specific strengths and weaknesses, the report card also disaggregates legislative votes into four policy areas. In addition to individual scores, we provide performance breakdowns by chamber, district, and party affiliation.

Table 1: Senate Scores and Grades

Name	District	Party	Education	Const.			Overall	
				Gov't.	Regulation	Fiscal	Percent	Grade
Gould	3	R	56	69	76	90	77	A-
Harper	4	R	70	74	73	75	74	A-
Verschoor	22	R	72	72	64	73	70	A-
Johnson	18	R	76	67	55	82	69	B+
Martin	6	R	72	67	52	64	62	B-
Huppenthal	20	R	68	65	40	66	58	C+
Flake*	5	R	66	56	52	59	57	C+
Burns	9	R	68	69	37	63	57	C+
Gray	10	R	68	67	37	64	57	C+
Waring	7	R	64	69	41	59	56	C
Blendu	12	R	60	60	43	59	55	C
Leff	11	R	64	61	40	57	54	C
Bee****	30	R	68	67	33	57	53	C
Bennett**	1	R	66	61	37	57	53	C
Tibshraeny***	21	R	66	60	35	54	51	C-
Cheuvront	15	D	52	61	39	51	50	C-
Allen	8	R	44	57	43	45	47	D+
Hellon	26	R	46	60	33	50	46	D
Arzberger	25	D	50	52	33	38	42	D-
Hale	2	D	46	55	32	37	40	D-
Rios	23	D	48	52	37	31	40	D-
Aguirre^	16	D	42	56	36	30	39	F+
Cannell	24	D	48	53	29	36	39	F+
Miranda^^^	13	D	42	45	36	34	38	F+
Soltero	29	D	48	44	36	33	38	F+
About	28	D	36	49	33	28	36	F
Garcia^^	27	D	40	45	25	30	33	F
Brotherton	14	D	36	51	28	24	33	F
Mean			57	60	41	52	51	C-
Median			58	60	37	55	52	C-

\* President Pro Tempore

\*\*\*\* Majority Leader

^^^ Asst. Minority Leader

\*\* President

^ Minority Leader

\*\*\* Majority Whip

^^ Minority Whip

Table 2: House of Representatives Scores and Grades

Name	District	Party	Education	Const.			Overall	
				Gov't.	Regulation	Fiscal	Percent	Grade
Rosati	8	R	75	84	50	83	72	A-
Farnsworth	22	R	66	84	56	81	72	A-
Burges	4	R	75	78	54	79	71	A-
Biggs	22	R	67	81	54	79	70	A-
Pearce	18	R	77	74	55	79	70	A-
Gorman	6	R	69	79	46	84	69	B+
Murphy	9	R	75	76	54	69	67	B+
Barto	7	R	76	75	48	74	67	B+
Stump	9	R	75	78	47	72	66	B
Groe	3	R	67	70	53	75	66	B
Allen	11	R	75	76	43	66	63	B
Nichols	21	R	70	69	45	69	62	B-
Weiers (Jerry)	12	R	75	71	43	64	61	B-
Weiers (James)*	10	R	73	65	50	56	59	C+
Yarbrough	21	R	72	71	44	59	59	C+
Barnes	7	R	72	66	46	59	59	C+
Boone	4	R	75	68	47	52	58	C+
Tully***	11	R	66	63	49	59	58	C+
Carpenter	6	R	72	75	38	56	57	C+
Quelland	10	R	77	62	43	58	57	C+
McLain	3	R	75	69	40	54	57	C+
Pierce**	19	R	69	71	41	54	56	C
Knaperek	17	R	66	69	43	52	55	C
Nelson	12	R	70	62	44	51	54	C
Anderson	18	R	70	62	37	56	54	C
Robson****	20	R	66	66	43	47	53	C
Huffman	26	R	59	59	45	42	50	C-
McComish	20	R	64	59	40	40	48	D+
Mason	1	R	55	64	44	34	47	D+
Konopnicki	5	R	70	57	40	33	46	D
Reagan	8	R	61	59	37	39	46	D
Paton	30	R	58	55	36	39	44	D
O'Halleran	1	R	50	60	40	33	44	D
Burns	25	R	55	53	38	31	42	D-
McClure	30	R	42	64	32	33	41	D-
Chase	23	R	61	52	29	35	41	D-
Hershberger	26	R	47	50	36	33	40	D-
Jones	24	R	55	46	36	32	40	D-
Downing	28	D	38	47	33	30	36	F
Tom	2	D	33	37	38	34	36	F

**Table 2 (continued): House of Representatives Scores and Grades**

Name	District	Party	Education	Const. Gov't.	Regulation	Fiscal	Overall	
							Percent	Grade
Miranda	16	D	28	47	36	27	35	F
Kirkpatrick	2	D	38	33	34	31	33	F
Rios <sup>^</sup>	23	D	34	42	35	24	33	F
Aguirre	24	D	33	42	34	25	33	F
Lujan	15	D	33	38	34	27	33	F
Meza	14	D	31	41	35	25	33	F
Gallardo	13	D	31	40	31	28	32	F
Garcia	13	D	33	39	32	26	32	F
Alvarez	25	D	31	42	30	25	32	F
McCune Davis	14	D	31	42	27	27	31	F
Sinema	15	D	33	42	30	24	31	F
Burton Cahill	17	D	28	37	31	26	30	F
Cajero Bedford	27	D	31	41	29	23	30	F
Bradley	28	D	34	34	25	29	30	F
Landrum Taylor	16	D	31	40	25	26	30	F
Prezelski	29	D	33	38	29	23	30	F
Brown	5	D	27	40	25	25	29	F-
Lopes (Phil) <sup>^^^</sup>	27	D	33	34	26	26	29	F-
Lopez (Linda) <sup>^^</sup>	29	D	31	35	26	24	28	F-
MEAN			54	57	39	45	48	D+
MEDIAN			61	59	38	39	46	D

\* Speaker of the House

\*\*\*\* Speaker Pro Tempore

^^^ Minority Leader

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## Methodology

### Bill Selection

Rather than selecting bills that were especially meritorious or egregious, this report card reviewed all bills voted on in a “Third Read” by either the House or Senate and then categorized them into four policy areas.<sup>7</sup> Bills that did not pertain to one of the categories were excluded. Bills that may have pertained to more than one category were assigned based on the dominant policy area they stood to affect. The majority of bills that reached a floor vote were of a technical nature that did not clearly advance or restrict liberty, and were therefore excluded from scoring.

### Scoring

For each remaining bill, a determination was made whether a vote *for* (yes) or *against* (no) would advance the principles of limited government, the free enterprise system, and the rule of law.<sup>8</sup> Points were awarded according to a straightforward +1, 0, or -1 system. For example, a legislator who voted “yes” on a bill that created unnecessary regulation would be given a -1, while voting against the bill would earn the legislator a +1. Those who did not vote on the bill would be assigned a 0. The points were then summed to determine the legislator’s raw score.

Final scores were calculated on a percentage basis (from zero to 100 percent) by adding the raw score to the total number of votes, and then dividing

by two times the number of votes.<sup>9</sup> This puts all scores into a positive range, enabling side-by-side score comparisons.<sup>10</sup>

### Weighting

All votes were given equal weight in the final score calculation. While bills certainly differ in importance and magnitude, allocating varying weights to bills would mean abandoning the objectivity of the scoring process. The Joint Legislative Budget Committee (JLBC) provides dollar estimates of the fiscal impact of some bills, so those could have been weighted and compared in dollar terms. But for many bills, the JLBC reports that the fiscal effect cannot be determined. Further, there are few reliable estimates of the pecuniary effect of proposed bills on the private economy, even where such an effect theoretically could be measured in dollars.<sup>11</sup> Finally, it would be impossible to project a dollar amount for the effect of bills of a non-economic nature. For example, there is no way estimate the dollar value of a bill expanding or preserving free speech.<sup>12</sup>

This report card also treats all legislators equally, rather than weighting them according to leadership, committee membership, rank, or bill sponsorship: each vote was worth one point. This reflects the arrangement of the legislature itself, where roll-call votes assign equal influence to each legislator—no member’s vote is worth more than any other’s.

*All votes were given an equal weight in the final calculation of scores. While bills certainly differ in importance and magnitude, allocating varying weights to bills would mean abandoning the objectivity of the scoring process.*

### Final Grades

Final grades are determined by converting the raw percentage scores, between zero and 100 percent, to letter grades based on the following scale:

*Legislators who score below 50 percent overall have done more harm than good, voting to restrict freedom in more instances than they voted to expand it.*

Lower Limit	Upper Limit	Grade
92	100	A+
79	91	A
70	78	A-
67	69	B+
63	66	B
60	62	B-
57	59	C+
53	56	C
50	52	C-
47	49	D+
43	46	D
40	42	D-
37	39	F+
30	36	F
0	29	F-

Letter grades are a tool for comparison of various legislators (i.e., Legislator X voted more consistently according to the principles of liberty than did Legislator Y), and are not absolute measures of quality. During the session covered in this report, the highest overall score of any legislator was 77 percent. Although that score corresponds to a grade of A- on the scale, the percentage score shows there is significant room for improvement.

In the other direction, a grade of F- is assigned to the lowest group of scores, but the designation does not stand alone in representing poor voting records. Arguably, legislators who score below 50

percent (a grade of D+ or lower) have voted to restrict freedom in more instances than they voted to expand it. But again, it is more instructive to think of the scores and grades in a relative context.

As the grade scale indicates, the grade distribution is curved—the percentages are not equated with letter grades according to the normal grading convention (i.e., 90 to 100 percent equals an A, 80 to 90 percent equals a B, and so on). This is done in order to assign a fuller range of grades and facilitate comparison.

### Limitations

The legislative process is both complicated and nuanced. With that in mind, the methodology employed in this report, and the resulting grades, use legislators' Third Read votes as proxies to measure legislative commitment to individual liberty, the rule of law, and free enterprise. Legislators, however, have much more responsibility in advancing or hindering those principles. Ideally, a measure of legislative performance would account for the balance of each legislator's work. Before a bill is even introduced, a legislator must determine which issues he will concern himself with, arrange for co-sponsors and negotiate support, and perform and commission research on the issue, among other efforts. Once the bill is ready, a legislator often strategically aligns votes (considering which other bills are likely to be introduced, maneuvering the content and language

of the bill to assuage opposition, authoring opinion pieces, giving speeches to civic groups, etc.) in order to advance it. This is a complex process that cannot be objectively catalogued. On a continuum of legislative action, the more one attempts to quantify these elements, the more one risks sacrificing the impartiality and objectivity of the assessment.

Additionally, a major drawback to weighting bills equally, as this report does, is that it risks mischaracterizing the records of legislators who have inconsistent voting patterns. On the one hand, the method may award high grades to legislators who are “penny-wise and pound foolish.” If a legislator votes “no” on nine small spending increases and “yes” on a single massive spending increase, that legislator would have a raw score of +8 on those 10 votes, equating to a final score of 90 percent. A second legislator with the exact opposite voting record would end up with a score of -8 (10 percent), even though he may have voted for less spending overall. This report seeks to avoid that potential numerical pitfall by including all relevant votes. In fact, previous report cards yielded scores (low and high) that many legislators claimed accurately represented their commitments as per the criteria used in scoring.<sup>13</sup>

In light of suggestions received after the publication of previous report cards, changes in the methodology of the report card were considered.<sup>14</sup> However, equally considering Third Read votes was reaffirmed as the only systematic

method of accounting for a legislator’s record while allowing for the greatest sample of bills. Indeed, this year’s report card includes 422 votes. So while the methodology employed may be accused of being obtuse by not accounting for subjective qualities such as “leadership ability,” it credibly deflects criticisms of “cherry-picking” or otherwise contriving end results.<sup>15</sup> Certainly consideration of characteristics such as a legislator’s constituent service or committee membership has merit, but doing so would require subjective judgments that would sacrifice this report card’s objective scoring system. At the end of the day, voting records are the most objective data for analysis.

### Format

The report card separates legislative votes into four categories: Education, Constitutional Government, Regulation, and Tax and Budget. Each section contains a brief description of the principles that should guide government involvement in that area and provides the guidelines used for scoring bills. A summary of scores in that category for both chambers is provided. Each category also contains examples of significant bills from that policy area, along with the final dispositions of those bills.<sup>16</sup> The final section, Total Score, discusses overall trends and results by district and party.

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## Education

*I have sworn upon the altar of God,  
eternal hostility against every form of  
tyranny over the mind of man*  
—Thomas Jefferson

*Education legislation should seek to foster a competitive climate that will transform the government education monopoly into a genuine education marketplace that can meet children's varied needs. In such a climate, schools must place a premium on academic excellence and accountability to parents to attract and retain students.*

Children's educational needs are as unique as their fingerprints. One child might flourish in a small classroom with just a few classmates, and another might thrive on stage in a performing arts setting. Most children, however, are educated in a government system that by its nature is ill-equipped to meet children's individual needs. That one-size-fits-all approach has left nearly half of Arizona's public school fourth graders functionally illiterate.<sup>17</sup>

Education legislation should seek to foster a competitive climate that can transform the government education monopoly into a genuine education marketplace that will meet students' varied needs. In such a climate, schools must place a premium on academic excellence and accountability to parents to attract and retain students.

Legislation should advance a system that increases quality for all students by tying funding to results and encouraging private and alternative public options. Education bills were judged accordingly. Legislators who voted for bills that sought to increase parental control and expand the education marketplace were assigned a +1. Legislators who voted for bills that aimed to remove an element of choice or to further burden parents or taxpayers without foreseeable improve-

ments through competition were assigned a -1.

The average Senate education score is 57 percent. This is down from the previous Senate average of 63 percent. The range of this year's Senate scores, 36 to 76, is one point narrower than last year's range of 42 to 83. The mean House score is 54 percent, down nine percentage points from last year's average of 63 percent. The differential between the highest and lowest House scores decreased to 50 percentage points from last year's 55.

- HB 2652: displaced pupils choice grants (*positive*)
- SB 1164: displaced pupils choice grant program (*positive*)

Arizona has approximately 7,000 school-age children in the foster care system.<sup>18</sup> Because these children frequently move between foster homes, they face an enormous disadvantage in schooling. District attendance boundaries normally oblige children to change schools whenever they move to a home in another school district. The U.S. Department of Education estimates that children academically lose about four to six months with each transfer to a new school; half never graduate from high school.

HB 2652 and SB 1164 create a displaced pupils choice grant system that gives foster students grants of up to \$5,000 to use at any independent school. Because private and independent schools do not have attendance boundaries, this program will enable

foster students to remain in the same schools regardless of where they live. Ultimately, the program allows students to benefit from a stable academic environment.

The legislature appropriated \$2.5 million for the program's first year, which will serve a maximum of 500 students. HB 2652 twice failed in the House, 27-33 and 29-26. SB 1164 passed the Senate 20-9, passed the House 31-26, and was signed by the governor.

- HB 2676: private schools; scholarships; disabled pupils (*positive*)

A number of problems beset public school special education programs, including misclassification of students, excessive costs, and limited effectiveness.<sup>19</sup> One study of the special education system described it as a "compliance model" that incentivizes public schools to avoid liability and costly litigation, thereby turning the focus away from actually serving disabled children.<sup>20</sup>

HB 2676, modeled after Florida's McKay Scholarship Program, eliminates many of the problems plaguing the standard special education system.<sup>21</sup> Like the Florida program, HB 2676 gives school choice grants to Arizona children with an individual education plan (IEP). The bill appropriates \$2.5 million for the program's first year.

Like SB 1164, the Arizona Scholarships for Pupils with Disabilities program is an incremental but

important step toward expanding educational freedom. The law makes more than 10 percent of children in Arizona public schools eligible for school choice grants. HB 2676 passed the House 33-27, passed the Senate 18-10, and was signed by the governor.

- HB 2004 school tuition organizations; tax credit (*positive*)
- SB 1499 corporate tax credit; tuition organizations (*positive*)
- SB 1404 corporate tuition tax credit: amount (*positive*)

HB 2004 and SB 1499 extend Arizona's successful scholarship tuition tax credit program to corporate donors. Businesses can now donate to organizations that grant scholarships to students who wish to attend independent schools. Scholarships must be less than or equal to \$4,200 for K-8 students, and \$5,500 for high-school students. SB 1404 increased the initial cap from \$5 million to \$10 million and provided that the cap would expand by 20 percent per year thereafter. Additional funds raised through corporate donations are expected to help the thousands of students currently on scholarship waiting lists.

HB 2004 passed the House 39-21 and passed the Senate 16-14, but was vetoed by the governor. SB 1499 passed the Senate 16-13, passed the House 33-26, and became law without a signature from the governor. SB 1404 passed the Senate 27-2, passed the House 34-21, and also became law without a signature from the governor.

*HB 2652 and SB 1164 create a displaced pupils choice grant system that gives foster students grants of up to \$5,000 to use at any independent school.*

- HB 2873 higher education; budget reconciliation (*positive*)

HB 2873 makes several changes to Arizona's post-secondary education system and most notably establishes the Postsecondary Education Grant Program (PEGP). The program is a higher-education grant of \$2,000 annually for full-time students or a prorated amount for part-time students. PEGP is a grant students can use at both public and private Arizona universities, similar to the well-established federal Pell Grant program. The program could also ease pressure from rising enrollment at public universities.<sup>22</sup>

Under PEGP, a student not receiving a baccalaureate degree within five years of the award must reimburse the state. To be eligible, students must currently reside in Arizona and have been residents for at least the past five consecutive years. Students must also be citizens of the United States or hold refugee or lawful immigration status. Students not remaining in good academic standing will forfeit their grants. HB 2873 appropriated \$5 million in grant funds for FY 2006-2007.

HB 2873 passed 34-21 in the House, 17-9 in the Senate, and was signed by the governor.

Table 3: Senate - Education

Name	District	Party	Score*	
			Percent	Grade
Johnson	18	R	76	A-
Martin	6	R	72	A-
Verschoor	22	R	72	A-
Harper	4	R	70	A-
Bee	30	R	68	B+
Burns	9	R	68	B+
Gray (Linda)	10	R	68	B+
Huppenthal	20	R	68	B+
Bennett	1	R	66	B
Flake	5	R	66	B
Tibshraeny	21	R	66	B
Leff	11	R	64	B
Waring	7	R	64	B
Blendu	12	R	60	B-
Gould	3	R	56	C
Chevront	15	D	52	C-
Arzberger	25	D	50	C-
Cannell	24	D	48	D+
Rios	23	D	48	D+
Soltero	29	D	48	D+
Hale	2	D	46	D
Hellon	26	R	46	D
Allen	8	R	44	D
Aguirre	16	D	42	D-
Miranda	13	D	42	D-
Garcia	27	D	40	D-
Aboud	28	D	36	F
Brotherton	14	D	36	F
Mean			57	C+
Median			58	C+

\* Based on 25 votes

**Table 4: House of Representatives - Education**

Name	District	Party	Score*	
			Percent	Grade
Pearce	18	R	77	A-
Quelland	10	R	77	A-
Barto	7	R	76	A-
Allen	11	R	75	A-
Boone	4	R	75	A-
Burges	4	R	75	A-
McLain	3	R	75	A-
Murphy	9	R	75	A-
Rosati	8	R	75	A-
Stump	9	R	75	A-
Weiers (Jerry)	12	R	75	A-
Weiers (James)	10	R	73	A-
Barnes	7	R	72	A-
Carpenter	6	R	72	A-
Yarbrough	21	R	72	A-
Anderson	18	R	70	A-
Konopnicki	5	R	70	A-
Nelson	12	R	70	A-
Nichols	21	R	70	A-
Gorman	6	R	69	B+
Pierce	19	R	69	B+
Biggs	22	R	67	B+
Groe	3	R	67	B+
Farnsworth	22	R	66	B
Knaperek	17	R	66	B
Robson	20	R	66	B
Tully	11	R	66	B
McComish	20	R	64	B
Chase	23	R	61	B-
Reagan	8	R	61	B-
Huffman	26	R	59	C+
Paton	30	R	58	C+
Burns	25	R	55	C
Jones	24	R	55	C
Mason	1	R	55	C
O'Halleran	1	R	50	C-
Hershberger	26	R	47	D+
McClure	30	R	42	D-
Downing	28	D	38	F+
Kirkpatrick	2	D	38	F+
Bradley	28	D	34	F
Rios	23	D	34	F
Aguirre	24	D	33	F

Table 4 (continued): House of Representatives - Education

Name	District	Party	Score*	
			Percent	Grade
Garcia	13	D	33	F
Lopes (Phil)	27	D	33	F
Lujan	15	D	33	F
Prezelski	29	D	33	F
Sinema	15	D	33	F
Tom	2	D	33	F
Alvarez	25	D	31	F
Cajero Bedford	27	D	31	F
Gallardo	13	D	31	F
Landrum Taylor	16	D	31	F
Lopez (Linda)	29	D	31	F
McCune Davis	14	D	31	F
Meza	14	D	31	F
Burton Cahill	17	D	28	F-
Miranda	16	D	28	F-
Brown	5	D	27	F-
Mean			54	C
Median			61	B-

\*Based on 32 votes

## Constitutional Government

*In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place, oblige it to control itself.*  
—James Madison

The Arizona Constitution declares that the fundamental purpose of government is to preserve individual rights.<sup>23</sup> But much of what government does today restricts individual rights, and property rights in particular. Several recent cases of eminent domain abuse underscore how government is redefining its roles in ways that limit freedom.<sup>24</sup> Rather than keeping itself to maintaining basic law and order, government increasingly assumes the roles of economic developer and arbiter of healthy living. However well-intentioned, these new roles invariably require new agencies, rules, and powers that curb constitutionally guaranteed individual liberties.

Several Arizona cities restrict the property rights of bar and restaurant owners by prohibiting them from setting their own smoking policies.<sup>25</sup> In other cases, governments impose civil and criminal sanctions on individuals whose actions have not violated the rights of other individuals.<sup>26</sup> When legislators set out to provide basic services, they should be careful to craft legislation respecting individual rights. Additionally, legislators should seek to decentralize authority as much as possible: legislation

that removes local control or otherwise usurps the ability of people to govern themselves is usually detrimental to individual liberty.<sup>27</sup>

The average Senate score was 60 percent, a decline of eight percentage points from last year. The score range was 44-77, a slight increase over last year's range of 50-81. In the House, the mean score fell six percentage points from last year to 57 percent. This year's range of scores was wider than last year's, from 38-84 to 33-84.

- HB 2376 indecent exposure; breast-feeding (*negative*)

HB 2376 reasonably exempts nursing mothers from indecent exposure laws.<sup>28</sup> The bill, however, takes a further step of requiring all places of “public accommodation” to allow breastfeeding. The result is that any business that serves the public, such as a restaurant or clothing boutique, must allow mothers to breastfeed on premises. This mandate abridges the property rights of owners who may not wish to allow nursing in their establishments. Likewise, the requirement ignores the natural free-market forces that would otherwise encourage owners to allow nursing; mothers who are asked to leave would likely not be repeat customers and could raise negative press that would discourage other potential customers.

HB 2376 passed the House 56-3, passed the Senate 28-0, and was signed by the governor.

- HB 2675 slum clearance (*positive*)

*The Arizona Constitution declares that the fundamental purpose of government is to preserve individual rights.*

HB 2675 narrows the legal definition of “slum clearance,” an important step toward limiting municipal powers of eminent domain and protecting property rights. Currently, municipalities can use the “slum clearance” designation to take private property for economic development purposes. Because “slum” has lacked a clear definition, cities have applied the designation to properties that have “inadequate” street layouts or limited “usefulness.”<sup>29</sup> HB 2675 prevents cities from labeling a property as “slum” unless it poses a clear, direct threat to public health and safety. Restricting the use of the “slum” designation in this way helps protect property owners from takings of a purely economic or aesthetic nature.

HB 2675 passed the House 45-7 and passed the Senate 19-8 but was vetoed by the governor.

- HCR 2031 land use regulation; compensation (*positive*)

The Arizona Constitution requires government to compensate owners whenever it takes their property through eminent domain. Through a legal loophole known as “regulatory takings,” however, government can take private property without actually taking title to it, thereby escaping the compensation requirement.<sup>30</sup> For example, the government may pass an open-space conservation law that prevents an owner from building homes on his property. The government does not claim ownership of the property, but it requires the land to be used for public

purposes. Such regulatory takings can dramatically reduce the property’s value, but because the government has not taken title to the property, it is not required to compensate owners for lost value. HCR 2031 recognized that government should pay citizens for the property it takes from them, including property taken through regulations. Upon voter approval, HCR2031 would have required the government to compensate owners for restrictions that reduce property value.

HCR 2031 failed in the House 26-29.

*HB 2675 prevents cities from labeling a property as “slum” unless it poses a clear, direct threat to public health and safety. Restricting the use of the “slum” designation in this way helps protect property owners from takings of a purely economic or aesthetic nature.*

**Table 5: Senate - Constitutional Government**

Name	District	Party	Score*	
			Percent	Grade
Harper	4	R	74	A-
Verschoor	22	R	72	A-
Burns	9	R	69	B+
Gould	3	R	69	B+
Waring	7	R	69	B+
Bee	30	R	67	B+
Gray (Linda)	10	R	67	B+
Johnson	18	R	67	B+
Martin	6	R	67	B+
Huppenthal	20	R	65	B
Bennett	1	R	61	B-
Chevront	15	D	61	B-
Leff	11	R	61	B-
Blendu	12	R	60	B-
Hellon	26	R	60	B-
Tibshraeny	21	R	60	B-
Allen	8	R	57	C+
Aguirre	16	D	56	C
Flake	5	R	56	C
Hale	2	D	55	C
Cannell	24	D	53	C
Arzberger	25	D	52	C-
Rios	23	D	52	C-
Brotherton	14	D	51	C-
Aboud	28	D	49	D+
Garcia	27	D	45	D
Miranda	13	D	45	D
Soltero	29	D	44	D
Mean			60	B-
Median			60	B-

\* Based on 44 votes.

Table 6: House of Representatives - Constitutional Government

Name	District	Party	Score*	
			Percent	Grade
Farnsworth	22	R	84	A
Rosati	8	R	84	A
Biggs	22	R	81	A
Gorman	6	R	79	A
Burges	4	R	78	A-
Stump	9	R	78	A-
Allen	11	R	76	A-
Murphy	9	R	76	A-
Barto	7	R	75	A-
Carpenter	6	R	75	A-
Pearce	18	R	74	A-
Pierce	19	R	71	A-
Weiers (Jerry)	12	R	71	A-
Yarbrough	21	R	71	A-
Groe	3	R	70	A-
Knaperek	17	R	69	B+
McLain	3	R	69	B+
Nichols	21	R	69	B+
Boone	4	R	68	B+
Barnes	7	R	66	B
Robson	20	R	66	B
Weiers (James)	10	R	65	B
Mason	1	R	64	B
McClure	30	R	64	B
Tully	11	R	63	B
Anderson	18	R	62	B-
Nelson	12	R	62	B-
Quelland	10	R	62	B-
O'Halleran	1	R	60	B-
Huffman	26	R	59	C+
McComish	20	R	59	C+
Reagan	8	R	59	C+
Konopnicki	5	R	57	C+
Paton	30	R	55	C
Burns	25	R	53	C
Chase	23	R	52	C-
Hershberger	26	R	50	C-
Downing	28	D	47	D+
Miranda	16	D	47	D+
Jones	24	R	46	D
Alvarez	25	D	42	D-
McCune Davis	14	D	42	D-
Rios	23	D	42	D-

**Table 6 (continued): House of Representatives - Constitutional Government**

Name	District	Party	Score*	
			Percent	Grade
Aguirre	24	D	42	D-
Sinema	15	D	42	D-
Cajero Bedford	27	D	41	D-
Meza	14	D	41	D-
Brown	5	D	40	D-
Gallardo	13	D	40	D-
Landrum Taylor	16	D	40	D-
Garcia	13	D	39	F+
Lujan	15	D	38	F+
Prezelski	29	D	38	F+
Burton Cahill	17	D	37	F+
Tom	2	D	37	F+
Lopez (Linda)	29	D	35	F
Bradley	28	D	34	F
Lopes (Phil)	27	D	34	F
Kirkpatrick	2	D	33	F
Mean			57	C+
Median			59	C+

\* Based on 53 votes

## Regulation

*If we can prevent the government from wasting the labors of the people, under the pretence of taking care of them, they must become happy.*<sup>31</sup>

–Thomas Jefferson

Policymakers implement regulations ostensibly to reduce various risks for consumers, employees, and citizens. Much regulation, however, is counterproductive, resulting in higher compliance costs for businesses, fewer jobs for job seekers, and fewer choices for consumers. In general, regulation stunts economic growth and exposes consumers to unforeseen risks.<sup>32</sup> While the principles of limited government allow authorities to mitigate genuine public-good problems and punish fraud,<sup>33</sup> most regulation addresses concerns that the free market, with individuals and businesses exchanging freely, could solve more efficiently and effectively.<sup>34</sup> The impetus behind some regulatory policy is a phenomenon economists call “regulatory capture,” where certain industry interests use government power to prevent competition.<sup>35</sup> Moreover, most industries can, and many do, self-regulate, including the Kosher Food industry and the Underwriters Laboratory.

The average Senate score fell one point from last year to 41 percent, and the score range increased from 50 points to 51 points. The mean House score was 39 percent, down three percentage points from the previous year’s average.

The score range remained the same as in 2005.

- HB 2162 insurance annuities; protection (*negative*)

Like most regulations, HB 2162 attempts to protect consumers. The legislation requires life insurance sellers to have “reasonable grounds” to believe that their product is “suitable” for their customers. To determine whether a given annuity is “suitable,” HB 2162 directs the seller to investigate a customer’s financial status, tax status, investment objectives, and other pertinent information. Such regulation often has numerous negative consequences for consumers, including increased prices that hurt low-income earners. Regulations like HB 2162 increase an insurer’s cost of doing business. This cost will be recovered through a number of ways, including higher premiums. Rising premiums put life insurance coverage further out of the reach of low-income families.

Determining the “suitability” of any investment is rightly the investor’s responsibility. In this case, those purchasing life insurance should investigate various life insurance offers, consult brokers or third-parties such as the Better Business Bureau, and determine which policy best suits their needs.

HB 2162 passed the House 45-12, passed the Senate 24-5, and was signed by the governor.

- SB 1276 wine shipment; limited

*Much regulation is counterproductive, resulting in higher compliance costs for businesses, fewer jobs for job seekers, and fewer choices for consumers. In general, regulation stunts economic growth and exposes consumers to unforeseen risks.*

*HB 2765 is a classic example of regulatory capture, where certain special interests use government regulatory power to block competition.*

production winery (*positive*)

Arizona law prevents out-of-state wineries from shipping directly to Arizona consumers, with few exceptions. Instead, wines must pass through a complex distribution system that favors wholesalers, increases prices, and reduces choices available to consumers.<sup>36</sup> Such restrictions hamper free trade among states and are unconstitutional under the Commerce Clause of the U.S. Constitution. SB 1276 eliminates several regulations to allow small vineyards to ship directly to their customers, and to enable Arizona consumers to order out-of-state wines. Similar regulations exist in other industries, including real estate, automobiles, and pharmaceuticals. SB 1276 is a step toward reducing unnecessary regulation.

SB 1276 passed the Senate 19-10, passed the House 48-5, and was signed by the governor.

- HB 2765 optometrists; practice designations (*negative*)

HB 2765 is a classic example of regulatory capture, where certain special interests use government regulatory power to block competition. This legislation requires optometrists, who must already be licensed, to be employed either in a sole proprietorship, a partnership of health professionals, or in a business where health professionals own at least 51 percent. This regulatory scheme could prevent businesses such as Target, which are not owned by 51 percent health professionals, from offering optometric services. Such a

scheme insulates optometrists from competition and ultimately makes optometric services more expensive. HB 2765 directly contradicts free market principles and burdens consumers with higher costs.

HB 2765 passed the House 54-3, passed the Senate 23-5, and was signed by the governor.

Table 7: Senate - Regulation

Name	District	Party	Score*	
			Percent	Grade
Gould	3	R	76	A-
Harper	4	R	73	A-
Verschoor	22	R	64	B
Johnson	18	R	55	C
Flake	5	R	52	C-
Martin	6	R	52	C-
Allen	8	R	43	D
Blendu	12	R	43	D
Waring	7	R	41	D-
Leff	11	R	40	D-
Huppenthal	20	R	40	D-
Chevront	15	D	39	F+
Bennett	1	R	37	F+
Burns	9	R	37	F+
Gray (Linda)	10	R	37	F+
Rios	23	D	37	F+
Aguirre	16	D	36	F
Miranda	13	D	36	F
Soltero	29	D	36	F
Tibshraeny	21	R	35	F
Aboud	28	D	33	F
Arzberger	25	D	33	F
Bee	30	R	33	F
Hellon	26	R	33	F
Hale	2	D	32	F
Cannell	24	D	29	F-
Brotherton	14	D	28	F-
Garcia	27	D	25	F-
Mean			41	D-
Median			37	F+

\*Based on 64 votes.

**Table 8: House of Representatives - Regulation**

Name	District	Party	Score*	
			Percent	Grade
Farnsworth	22	R	56	C
Pearce	18	R	55	C
Burges	4	R	54	C
Murphy	9	R	54	C
Biggs	22	R	54	C
Groe	3	R	53	C
Rosati	8	R	50	C-
Weiers (James)	10	R	50	C-
Tully	11	R	49	D+
Barto	7	R	48	D+
Boone	4	R	47	D+
Stump	9	R	47	D+
Barnes	7	R	46	D
Gorman	6	R	46	D
Huffman	26	R	45	D
Nichols	21	R	45	D
Mason	1	R	44	D
Nelson	12	R	44	D
Yarbrough	21	R	44	D
Allen	11	R	43	D
Knaperek	17	R	43	D
Quelland	10	R	43	D
Robson	20	R	43	D
Weiers (Jerry)	12	R	43	D
Pierce	19	R	41	D-
Konopnicki	5	R	40	D-
McComish	20	R	40	D-
McLain	3	R	40	D-
O'Halleran	1	R	40	D-
Burns	25	R	38	F+
Carpenter	6	R	38	F+
Tom	2	D	38	F+
Anderson	18	R	37	F+
Reagan	8	R	37	F+
Hershberger	26	R	36	F
Jones	24	R	36	F
Miranda	16	D	36	F
Paton	30	R	36	F
Meza	14	D	35	F
Rios	23	D	35	F
Aguirre	24	D	34	F
Kirkpatrick	2	D	34	F
Lujan	15	D	34	F

Table 8 (continued): House of Representatives - Regulation

Name	District	Party	Score*	
			Percent	Grade
Downing	28	D	33	F
Garcia	13	D	32	F
McClure	30	R	32	F
Burton Cahill	17	D	31	F
Gallardo	13	D	31	F
Alvarez	25	D	30	F
Sinema	15	D	30	F
Cajero Bedford	27	D	29	F-
Chase	23	R	29	F-
Prezelski	29	D	29	F-
McCune Davis	14	D	27	F-
Lopez (Linda)	29	D	26	F-
Lopes (Phil)	27	D	26	F-
Bradley	28	D	25	F-
Brown	5	D	25	F-
Landrum Taylor	16	D	25	F-
Mean			39	F+
Median			38	F+

\*Based on 68 votes.

## Tax and Budget

*Invention is continually exercised, to furnish new pretenses for revenues and taxation. [Government] watches prosperity as its prey and permits none to escape without tribute.<sup>37</sup>*  
 –Thomas Paine

*A truly limited government restrains spending and keeps taxes as low as possible to protect individual liberty. Such a policy of low taxes on individuals and businesses lays the foundation for a regionally and nationally competitive economy.*

A truly limited government restrains spending and keeps taxes as low as possible to protect individual liberty. Such a policy of low taxes on individuals and businesses lays the foundation for a regionally and nationally competitive economy. Numerous studies demonstrate that states with low taxes enjoy economic growth.<sup>38</sup> When legislators authorize the state to provide another service or expand an existing service, they take resources from the private economy, reducing the resources available for private consumption, new businesses, and investment.<sup>39</sup> This is also true in good economic times, when budget surpluses create the illusion that government is not diverting resources from the private economy.<sup>40</sup> To restrain spending, legislators must more stringently define which services the state must provide.<sup>41</sup> The state should not provide a given service merely because it can. A truly limited government only provides services that are constitutionally permissible and that the private sector cannot provide.<sup>42</sup>

Many current government functions are inconsistent with the principles of limited government outlined in the Arizona Constitution, and could be provided more efficiently through private means.<sup>43</sup> Even an economy that

has low taxes and little regulation may not be a true free-market economy. Frequently, legislators create a kind of crony capitalism, where government gives special tax exemptions and payouts to favored businesses and industries. Such arrangements generally advantage existing market players and limit competition from smaller players and potential market entrants.<sup>44</sup>

Because the benefits of government programs are generally concentrated and the costs of government are diffused, the resulting dynamic of special-interest politics makes it difficult for politicians to resist new spending initiatives and remove existing spending.<sup>45</sup> An institutional mechanism that automatically restrains the growth of government is one way to resist that dynamic and to promote fiscal restraint.<sup>46</sup>

The mean Senate score was the same as in 2005, 52 percent, but the range of scores notably increased from 25-82 to 24-90. The mean House score was 45 percent, down six percentage points from the previous year's average. The range decreased significantly from 17-93 to 23-84.

- HB 2489 income tax rates; reduction (*positive*)

This bill reduces individual and corporate income tax rates 10 percent across-the-board over the next two years. This tax cut would reduce the individual income tax burden by almost \$490 million and the corporate income tax burden by more than \$140 million over the next two fiscal years relative to baseline projections. However, this

JLBC estimate only accounts for the static effect of the tax cut. A dynamic estimate that accounts for secondary behavioral effects would yield a smaller revenue impact. Unfortunately, it is difficult to fully account for likely economic effects of fiscal policy changes.<sup>47</sup>

There is extensive academic literature on the economic effects of state and local tax policy.<sup>48</sup> The broad consensus of this literature indicates that economic activity increases when tax burdens are lower.<sup>49</sup> This is especially true when tax burdens are lower relative to neighboring and competitive jurisdictions.<sup>50</sup> In particular, income taxes discourage investment of scarce resources in some of the most productive activities as well as encourage less-productive tax avoidance activities. Moreover, more recent policy research indicates a relationship between relative income tax burdens and where people decide to locate.<sup>51</sup>

This bill passed 38-21 in the House but did not reach a Third Read in the Senate. This tax cut, however, was eventually adopted as part of the final budget package.

- HB 2007/SB 1063 tourism and sports authority; funding (*positive*)

HB 2007 would have eliminated an automatic transfer of funds from the state general fund to the Arizona Sports and Tourism Authority (AZSTA), created in 2000 as the authority in charge of constructing the Glendale football arena. As it stands, the AZSTA is entitled to the share of state income

taxes paid by professional football franchise employees. However, if this amount does not equal a statutorily determined threshold, then an automatic distribution from the general fund is triggered. This bill would remove that trigger, nullifying any transfer, though allowing the continued recapture of NFL income taxes.<sup>52</sup> HB 2007 would have protected taxpayers from funding additional NFL activities.

This bill was passed 39-21 in the House and 19-11 in the Senate, but was vetoed by the governor.<sup>53</sup>

- HB 2650 appropriation of federal monies (*positive*)

When Arizona receives appropriations from the federal government, the money can go to specific agencies, the governor's office, or into a "non-custodial" fund. Each state has its own rules governing which branch of government controls these "non-custodial" funds. Only five states do not give the legislature specific appropriative power over non-custodial funds.<sup>54</sup> As the Arizona Legislature is responsible for budgeting all other state funds, it should be given responsibility for non-custodial federal funds as part of its regular budget process. Federal funds make up nearly one-third of the annual Arizona budget. HB 2650 would have given the legislature appropriation authority over non-custodial federal funds, increasing accountability through more government transparency.

HB 2650 passed 39-21 in the House, 18-12 in the Senate, and was vetoed by the governor.

*By creating a low-tax environment for individuals and businesses, a state can lay the foundation for a regionally and nationally competitive economy and sustained growth.*

- HCM 2007: federal excise tax; telecommunications; repeal (*positive*)

HCM 2007 asks Congress to repeal the federal excise tax on communications. This tax was instituted in 1898 to fund the Spanish-American War.<sup>55</sup> Revenues are now available for Congress'

general use instead of any specific telecommunications use. This tax has outlived its usefulness and should be repealed.

HCM 2007 passed 40-15 in the House and 29-1 in the Senate.

**Table 9: Senate - Tax and Budget**

Name	District	Party	Score	
			Percent	Grade
Gould	3	R	90	A
Johnson	18	R	82	A
Harper	4	R	75	A-
Verschoor	22	R	73	A-
Huppenthal	20	R	66	B
Gray (Linda)	10	R	64	B
Martin	6	R	64	B
Burns	9	R	63	B
Blendu	12	R	59	C+
Flake	5	R	59	C+
Waring	7	R	59	C+
Bennett	1	R	57	C+
Bee	30	R	57	C+
Leff	11	R	57	C+
Tibshraeny	21	R	54	C
Chevront	15	D	51	C-
Hellon	26	R	50	C-
Allen	8	R	45	D
Arzberger	25	D	38	F+
Hale	2	D	37	F+
Cannell	24	D	36	F
Miranda	13	D	34	F
Soltero	29	D	33	F
Rios	23	D	31	F
Aguirre	16	D	30	F
Garcia	27	D	30	F
Aboud	28	D	28	F-
Brotherton	14	D	24	F-
Mean			52	C-
Median			55	C

\*Based on 67 votes.

Table 10: House of Representatives - Tax and Budget

Name	District	Party	Score*	
			Percent	Grade
Gorman	6	R	84	A
Rosati	8	R	83	A
Farnsworth	22	R	81	A
Biggs	22	R	79	A
Burges	4	R	79	A
Pearce	18	R	79	A
Groe	3	R	75	A-
Barto	7	R	74	A-
Stump	9	R	72	A-
Murphy	9	R	69	B+
Nichols	21	R	69	B+
Allen	11	R	66	B
Weiers (Jerry)	12	R	64	B
Barnes	7	R	59	C+
Tully	11	R	59	C+
Yarbrough	21	R	59	C+
Quelland	10	R	58	C+
Anderson	18	R	56	C
Carpenter	6	R	56	C
Weiers (James)	10	R	56	C
McLain	3	R	54	C
Pierce	19	R	54	C
Boone	4	R	52	C-
Knaperek	17	R	52	C-
Nelson	12	R	51	C-
Robson	20	R	47	D+
Huffman	26	R	42	D
McComish	20	R	40	D-
Paton	30	R	39	F+
Reagan	8	R	39	F+
Chase	23	R	35	F
Mason	1	R	34	F
Tom	2	D	34	F
Hershberger	26	R	33	F
Konopnicki	5	R	33	F
McClure	30	R	33	F
O'Halleran	1	R	33	F
Jones	24	R	32	F
Burns	25	R	31	F
Kirkpatrick	2	D	31	F
Downing	28	D	30	F

**Table 10 (continued): House of Representatives - Tax and Budget**

Name	District	Party	Score	
			Percent	Grade
Bradley	28	D	29	F-
Gallardo	13	D	28	F-
Lujan	15	D	27	F-
McCune Davis	14	D	27	F-
Miranda	16	D	27	F-
Burton Cahill	17	D	26	F-
Garcia	13	D	26	F-
Landrum Taylor	16	D	26	F-
Lopes (Phil)	27	D	26	F-
Aguirre	24	D	25	F-
Alvarez	25	D	25	F-
Brown	5	D	25	F-
Meza	14	D	25	F-
Lopez (Linda)	29	D	24	F-
Rios	23	D	24	F-
Sinema	15	D	24	F-
Cajero Bedford	27	D	23	F-
Prezelski	29	D	23	F-
Mean			45	D
Median			39	F+

\*Based on 70 votes.

### Total Score

On average, the Senate scored slightly higher than the House of Representatives (51 percent for a C- and 48 percent for a D+, respectively). Average scores in both chambers fell seven points from the 2005 averages, and are on par with 2003 and 2004 scores. This decline appears to end a legislative trend toward higher scores between 2003 and 2005, indicating a legislative status quo that continues to expand government. In the Senate, the average score just above 50 percent

implies that on the whole, the Senate cast more votes in favor of liberty than against it. The House fell just short of this mark.

In addition to lower total score averages, category score averages also decreased. In the Senate, the average Education score fell six points, Constitutional Government fell eight, and Regulation fell nine, while Tax and Budget remained at 52 percent. In the House, Education fell nine, Constitutional Government fell six, Regulation fell six, and Tax and Budget

fell six. Regulation scores were again the lowest on average for both chambers. In the Senate, the party scores were only two percentage points apart (the closest of any category for either chamber).

For the fourth straight year, District 22 had top scores.<sup>56</sup> District 18, typically a top-scoring district, fell behind Districts 3 and 4. All district averages declined from 2005, with the largest declines coming in Districts 1 (-10), 5 (-11), 18 (-10), 20 (-10), 24 (-11), and 30 (-11). Legislators in the lowest-scoring districts—13, 14, 27, 28, and 29—all

had grades in the F range.

Final scores tended to break down along party lines, with the Republican majority generally scoring higher than the Democratic minority. Senate Republicans scored an overall average of 14 percentage points higher than Senate Democrats (down from 18 points the previous year, and the most narrow spread since this report card began in 2003), and the average overall advantage for House Republicans over House Democrats was 24 percentage points (down from 29).

**Table 11: Scores and Grades by District**

District Name	Party	Education	Const.			Overall		
			Gov't.	Regulation	Fiscal	Percent	Grade	
1	Bennett	R	66	61	37	57	53	C
1	Mason	R	55	64	44	34	47	D+
1	O'Halleran	R	50	60	40	33	44	D
							48	
2	Hale	D	46	55	32	37	40	D-
2	Kirkpatrick	D	38	33	34	31	33	F
2	Tom	D	33	37	38	34	36	F
							36	
3	Gould	R	56	69	76	90	77	A-
3	Groe	R	67	70	53	75	66	B
3	McLain	R	75	69	40	54	57	C+
							66	
4	Harper	R	70	74	73	75	74	A-
4	Boone	R	75	68	47	52	58	C+
4	Burges	R	75	78	54	79	71	A-
							67	
5	Flake	R	66	56	52	59	57	C+
5	Brown	D	27	40	25	25	29	F-
5	Konopnicki	R	70	57	40	33	46	D
							44	

**Table 11 (continued): Scores and Grades by District**

District Name	Party	Education	Const.			Overall		
			Gov't.	Regulation	Fiscal	Percent	Grade	
6	Martin	R	72	67	52	64	62	B-
6	Carpenter	R	72	75	38	56	57	C+
6	Gorman	R	69	79	46	84	69	B+
							63	
7	Waring	R	64	69	41	59	56	C
7	Barnes	R	72	66	46	59	59	C+
7	Barto	R	76	75	48	74	67	B+
							60	
8	Allen	R	44	57	43	45	47	D+
8	Reagan	R	61	59	37	39	46	D
8	Rosati	R	75	84	50	83	72	A-
							55	
9	Burns	R	68	69	37	63	57	C+
9	Murphy	R	75	76	54	69	67	B+
9	Stump	R	75	78	47	72	66	B
							63	
10	Gray (Linda)	R	68	67	37	64	57	C+
10	Quelland	R	77	62	43	58	57	C+
10	Weiers (James)	R	73	65	50	56	59	C+
							58	
11	Leff	R	64	61	40	57	54	C
11	Allen	R	75	76	43	66	63	B
11	Tully	R	66	63	49	59	58	C+
							58	
12	Blendu	R	60	60	43	59	55	C
12	Nelson	R	70	62	44	51	54	C
12	Weiers (Jerry)	R	75	71	43	64	61	B-
							57	
13	Miranda	D	42	45	36	34	38	F+
13	Gallardo	D	31	40	31	28	32	F
13	Garcia	D	33	39	32	26	32	F
							34	
14	Brotherton	D	36	51	28	24	33	F
14	McCune Davis	D	31	42	27	27	31	F
14	Meza	D	31	41	35	25	33	F
							32	

Table 11 (continued): Scores and Grades by District

District Name	Party	Education	Const.			Overall		
			Gov't.	Regulation	Fiscal	Percent	Grade	
15	Chevront	D	52	61	39	51	50	C-
15	Lujan	D	33	38	34	27	33	F
15	Sinema	D	33	42	30	24	31	F
							38	
16	Aguirre	D	42	56	36	30	39	F+
16	Landrum Taylor	D	31	40	25	26	30	F
16	Miranda	D	28	47	36	27	35	F
							35	
17	Burton Cahill	D	28	37	31	26	0	F
17	Knaperek	R	66	69	43	52	1	C
18	Johnson	R	76	67	55	82	69	B+
18	Anderson	R	70	62	37	56	54	C
18	Pearce	R	77	74	55	79	70	A-
							64	
19	Pierce	R	69	71	41	54	1	C
20	Huppenthal	R	68	65	40	66	58	C+
20	McComish	R	64	59	40	40	48	D+
20	Robson	R	66	66	43	47	53	C
							53	
21	Tibshraeny	R	66	60	35	54	51	C-
21	Nichols	R	70	69	45	69	62	B-
21	Yarbrough	R	72	71	44	59	59	C+
							57	
22	Verschoor	R	72	72	64	73	70	A-
22	Biggs	R	67	81	54	79	70	A-
22	Farnsworth	R	66	84	56	81	72	A-
							71	
23	Rios, P.	D	48	52	37	31	40	D-
23	Chase	R	61	52	29	35	41	D-
23	Rios, R.	D	34	42	35	24	33	F
							38	

Table 11 (continued): Scores and Grades by District

District	Name	Party	Education	Const.			Overall	
				Gov't.	Regulation	Fiscal	Percent	Grade
24	Cannell	D	48	53	29	36	39	F+
24	Aguirre	D	33	42	34	25	33	F
24	Jones	R	55	46	36	32	40	D-
							37	
25	Arzberger	D	50	52	33	38	42	D-
25	Alvarez	D	31	42	30	25	32	F
25	Burns	R	55	53	38	31	42	D-
							39	
26	Hellon	R	46	60	33	50	46	D
26	Hershberger	R	47	50	36	33	40	D-
26	Huffman	R	59	59	45	42	50	C-
							45	
27	Garcia	D	40	45	25	30	33	F
27	Cajero Bedford	D	31	41	29	23	30	F
27	Lopes (Phil)	D	33	34	26	26	0	F-
							21	
28	Aboud	D	36	49	33	28	36	F
28	Bradley	D	34	34	25	29	30	F
28	Downing	D	38	47	33	30	36	F
							34	
29	Soltero	D	48	44	36	33	38	F+
29	Lopez (Linda)	D	31	35	26	24	28	F-
29	Prezelski	D	33	38	29	23	30	F
							32	
30	Bee	R	68	67	33	57	53	C
30	McClure	R	42	64	32	33	41	D-
30	Paton	R	58	55	36	39	44	D
							46	

Table 12: Scores and Grades by Party

Party	Number*	Education	Const. Gov't.	Regulation	Fiscal	Overall	
						Percent	Grade
SENATE							
Democrat	11	44	51	33	34	39	F+
Republican	17	67	64	35	57	53	C
Total	28	57	60	41	52	51	C-
HOUSE							
Democrat	21	32	39	31	26	32	F
Republican	38	67	67	44	56	56	C
Total	59	54	57	39	45	48	D+

\*This report card does not include scores for legislators who did not vote during the majority of the legislative session. See Endnote 6.

## Conclusion

Government's primary role is to protect individual liberty. Too often, however, lawmakers' ostensibly good intentions and political considerations for certain groups and special interests displace that fundamental role, creating instead a government of multiplying agencies and powers. As the governmental body explicitly charged with lawmaking authority, the legislature is too often the greatest offender.

However, because the legislature is the branch that is most accountable to the governed by virtue of the citizens' ability to vote legislators into and out of office, the legislature has the most potential to serve the interests of the governed. It therefore behooves voters to keep a careful watch on the activities of

the legislature.

This report analyzes how well Arizona's Forty-seventh Legislature respected the principles of free markets, limited government, rule of law, and individual rights embodied in the Arizona Constitution.

This year the legislature increased ongoing General Fund spending (FY 2007) by more than 12 percent over FY 2006 (a permanent spending increase of \$1.09 billion);<sup>57</sup> failed to pass a comprehensive school-choice reform bill or an institutional mechanism to limit General Fund growth; and added dozens of well-intentioned but detrimental commissions and regulations. Indeed, legislators' lowest scores once again came in the Regulation category, indicating a collective failure to protect the public from the burden of excessive regulation.

But these observations risk mischaracterizing the entire legislature. A number of legislators acted contrary to the natural tide of an expansive public sector and cast their votes in favor of liberty. They enhanced property rights by restricting municipal powers of eminent domain, eliminated several regulations on free trade among states, and enacted a record four school choice measures.

In the first year of this report card (2003), average scores for both chambers were “within earshot of the neutral mark (50 percent).”<sup>58</sup> In 2004, both chambers scored above 50 percent and in 2005, average scores were solidly above the 50 percent mark.<sup>59</sup> Unfortunately, 2006 scores slipped to 2003 and 2004 levels. Both chambers straddled the line between a session spent serving the public and one given to special interests and an expansive state. While the Senate has consistently scored above the House, the spread has never been more than 3 percent. This year, that spread included the 50 percent (neutral mark), with the Senate just reaching the goal line and the House falling just below. These scores indicate the Senate marginally voted more in favor of liberty than did the House of Representatives.

## APPENDIX A

## Included Votes, House of Representatives

## EDUCATION

HB 2004	school tuition organizations; tax credit
HB 2140	alternative teacher development program; appropriation
HB 2182	schools; open enrollment; OCR agreements
HB 2248*	teachers; foreign language requirement; prohibition
HB 2248*	teachers; foreign language requirement; prohibition
HB 2372	postsecondary education; non accredited classes
HB 2372	postsecondary education; non accredited classes
HB 2391*	tax credit; character education providers
HB 2485	additional assistance; charter schools
HB 2552*	schools; gifted pupils; programs; funding
HB 2613	education and training vouchers; appropriation
HB 2652	displaced pupils choice grants
HB 2652	displaced pupils choice grants
HB 2676	private schools; scholarships; disabled pupils
HB 2788*	commission; civic education and engagement
HB 2816	universities; credit threshold
HB 2817*	school district budgets; debts
HB 2873	higher education; budget reconciliation.
SB 1045	postsecondary institutions; SAIS numbers
SB 1094	school boundary changes; financial impact
SB 1151	tax credits; withholding tax reductions
SB 1164	displaced pupils choice grant program
SB 1184	appropriation; alternative teacher development program
SB 1205	schools; transportation RCL; limited
SB 1363*	Indian education act
SB 1363*	Indian education act
SB 1380	special education; IDEA changes
SB 1382*	AIMS test; dropout prevention
SB 1404	corporate tuition tax credit; amount
SB 1455	charter schools; sponsorship
SB 1499	corporate tax credit; tuition organizations
SB 1512*	e-learning digital institute; data warehouse

## CONSTITUTIONAL GOVERNMENT

HB 2001	tax setoff for debts; verification
HB 2062	eminent domain; fees; costs; interest

\* A “yes” vote on this bill was scored a -1.

HB 2074	concealed weapons; training requirement; renewal
HB 2092*	ombudsman-citizens aide; school law
HB 2110*	epinephrine; administration by good Samaritans
HB 2130*	game and fish; hunter harassment
HB 2133	lengthy trial fund; juror compensation
HB 2138*	joint legislative committee on hunger
HB 2159*	water infrastructure finance; payment approval
HB 2191	court settlements; JLBC; attorney general
HB 2202	clean elections commission; audit
HB 2221*	residential rental property inspections
HB 2343*	developmental disabilities oversight committee
HB 2347*	residential conservation inspection districts
HB 2347*	residential conservation inspection districts
HB 2351*	identity theft omnibus
HB 2373	supreme court opinion; single subject
HB 2376*	indecent exposure; breast-feeding
HB 2381	municipal planning; fees disclosure
HB 2386*	selling vehicles; property owner's permission
HB 2387*	Mexico; entry; minors
HB 2392	home protection; self-defense
HB 2394	agricultural improvement districts; electors; trusts
HB 2428*	water service providers; corporate dissolution
HB 2432	county long-term obligations; public hearing
HB 2440	lawsuits; public participation in government
HB 2474*	verification of class three property
HB 2558	adult protective services; investigations; hearings
HB 2574*	city of Maricopa; penalty waiver
HB 2584	concealed weapons; firearms safety training
HB 2627	vulnerable adults; financial exploitation
HB 2649	firearms; possession; storage
HB 2675	slum clearance
HB 2712	tax decisions; distribution
HB 2736	eminent domain; appraisal; taxes
HB 2799*	business development program; minorities; women
HB 2828	prisoners; medical treatment guardians
HCR 2002	eminent domain; presumption
HCR 2031	land use regulation; compensation
HCR 2045*	state trust land reform
SB 1020	informal probate; value of property
SB 1041	election law revisions
SB 1099	campaign finance reports; disclosure; exemption
SB 1138*	condominiums; real property conveyance

SB 1145 self-defense; home protection  
 SB 1225 public records; declaratory action  
 SB 1276 wine shipment; limited production winery  
 SB 1324 mental health screenings  
 SB 1461 department of revenue; continuation  
 SB 1477 psychotropic drugs; testing; informed consent  
 SB 1477 psychotropic drugs; testing; informed consent  
 SB 1479 local planning; residential housing incentives  
 SCR 1001 standing; federal violation; damages

REGULATION

HB 2029\* ordinances; information; collection and storage  
 HB 2041\* industrial commission; continuation  
 HB 2042\* board of technical registration; continuation  
 HB 2052\* private postsecondary education board; continuation  
 HB 2098\* oil and gas commission; continuation  
 HB 2107\* adult foster care; licensing  
 HB 2128 amusement gambling; charitable organizations  
 HB 2162\* insurance annuities; protection  
 HB 2191 court settlements; JLBC; attorney general  
 HB 2214 practice; dental hygienists  
 HB 2217\* accountable health plans; filing rates  
 HB 2277\* recreational vehicle parks; long-term rentals  
 HB 2282\* homeopathic board; continuation  
 HB 2283\* medical radiologic technology board; continuation  
 HB 2284\* nursing care board; investigations continuation  
 HB 2285\* Arizona health facilities authority; continuation  
 HB 2286\* umbilical cord blood; donation; information  
 HB 2327 corporations; shares without certificates  
 HB 2364\* eosinophilic gastrointestinal disorder; benefits  
 HB 2374\* dental hygienist; practice without license  
 HB 2374\* dental hygienist; practice without license  
 HB 2426\* health professionals; lab costs; billing  
 HB 2475\* electric generating facilities; coal; development  
 HB 2484 personal identifying information records; disposal  
 HB 2500 domestic farm wineries; direct shipment  
 HB 2523 salvage certificates of title  
 HB 2576\* child passenger restraints; booster seats  
 HB 2576\* child passenger restraints; booster seats  
 HB 2585 contractors; licensure; appliance exemption  
 HB 2590\* ethanol E85; motor fuel  
 HB 2621 illegal liquor sales; liability

HB 2691*	commercial vehicles; exhaust systems
HB 2698	small business health insurance plans
HB 2698	small business health insurance plans
HB 2740	spirituous liquors; restaurant license; grills
HB 2765*	optometrists; practice designations
HB 2777*	MVD wait times; inconvenience fee
HB 2785*	telephone records; unauthorized sale prohibited
HB 2786*	medical records; health professionals
HB 2796	motorized electric; gas powered bicycles
HB 2812	licensing procedures; cable television
HB 2815*	pseudoephedrine sales; restrictions; penalties
SB 1007*	condominiums; homeowners' associations; records; fees
SB 1008*	condominiums; planned communities; foreclosure limitation
SB 1055*	homeowners' associations; military flags
SB 1066*	cigarette sales; licensing; luxury tax
SB 1070	group life insurance; coverage requirement
SB 1079*	dental board; omnibus
SB 1081	behavioral health; licensure; exemption
SB 1084*	Arizona medical board; omnibus
SB 1102	Arizona medical board; pending complaints
SB 1104	urgent care centers
SB 1140*	water; monitoring assistance program
SB 1154	chiropractic care; medical necessity review
SB 1162*	industrial development financing; procedures
SB 1220	vehicle dealer regulations; exceptions
SB 1221	structural pest control; licensure exemption
SB 1222*	professional employer organizations; registration
SB 1255*	lot splits; fissures; recorded disclosure
SB 1322	domestic micro-brewery; licensure
SB 1329	racing; pari-mutuel wagering
SB 1350*	pesticides; child care facilities; notification
SB 1364*	restocking fees; disclosures
SB 1379*	speech-language pathologists; assistants; licensing
SB 1388	structural pest control; regulation; exemptions
SB 1402*	sales representative contracts
SB 1486	corporation commission; telecommunications
SB 1541	equine dentistry exception; veterinarians

#### TAX AND BUDGET

HB 2007	tourism and sports authority; funding
HB 2012*	Prescott historical society; continuation
HB 2049*	Prime contracting deduction; university improvements

HB 2089 transaction privilege tax; postage deduction  
HB 2132\* municipal tax exemption; fairs  
HB 2188 continuing appropriations; limitation  
HB 2190 federal funds; program review  
HB 2192 budget stabilization fund; uses  
HB 2236\* community facilities districts; counties  
HB 2236\* community facilities districts; counties  
HB 2290\* kinship foster care; grandparents; appropriation  
HB 2321\* TANF eligibility; two parent families  
HB 2371\* Arizona centennial; funds; appropriation  
HB 2427\* tax credit; renewable energy  
HB 2429\* solar energy tax incentives  
HB 2433 county excise taxes; uses; hearing  
HB 2477\* Arizona twenty-first century fund  
HB 2489 income tax rates; reduction  
HB 2509\* Arizona welcome center; Yuma; appropriation  
HB 2554\* alcohol tax; substance abuse treatment  
HB 2556\* motorcycle safety fund  
HB 2560 charitable organizations; tax credit  
HB 2626\* Arizona work-study program  
HB 2650 appropriation of federal monies  
HB 2661\* state employees; pay increase  
HB 2677\* tax credit; research and development  
HB 2685 truth in taxation; levy; election  
HB 2686\* enterprise zones; reauthorization  
HB 2702\* Rio Nuevo; shared revenue  
HB 2714\* appropriation; nutrition programs  
HB 2738\* appropriation; discounted health care services  
HB 2773\* appropriation; women's services  
HB 2781\* rural hospital loans; residencies; appropriation  
HB 2810\* utility assistance fund; administration  
HB 2843\* tax credit; energy efficient products  
HB 2870\* state government; budget reconciliation.  
HB 2871 general revenues; budget reconciliation.  
HB 2876 omnibus tax relief act  
HCM 2001\* urging support; 2007 farm bill  
HCM 2007 federal excise tax; telecommunications; repeal  
HCR 2001\* municipal debt; capacity  
HCR 2007 supplemental appropriations; two-thirds vote  
HCR 2021 truth in budgeting and accounting  
HCR 2021 truth in budgeting and accounting  
HCR 2056 local government levy limits; rebase.

SB 1011*	appropriation; Pearl Harbor memorial
SB 1068	contractor sales tax; development fees
SB 1086*	parks board reservation revolving fund
SB 1170	estate; generation skipping taxes; repeal
SB 1193*	appropriation; trauma services
SB 1206	schools; maximum property tax rate
SB 1217	public health services district
SB 1245	school facilities board; emergency deficiencies
SB 1251*	unclaimed property; agricultural protection
SB 1335*	kidney programs; appropriations
SB 1355*	appropriation; autism research
SB 1385	inactive state funds; elimination
SB 1390	property tax valuation; telecommunications companies.
SB 1411	prime contracting; exemption; waste disposal
SB 1413	county development fees; report
SB 1433	tax exemption; liquid natural gas
SB 1441*	wildlife habitat; restoration fund; appropriation
SB 1442*	HCCCS; temporary medical coverage program
SB 1447	tax credits; TANF employment; repeal
SB 1468*	Arizona trail
SB 1481	property tax exemption; educational institutions
SB 1502	judicial tax appeal determinations; carryover
SB 1506	donated food; tax exemption
SB 1512*	e-learning digital institute; data warehouse
SB 1550*	copper state park

## APPENDIX B

## Included Votes, Senate

## EDUCATION

HB 2004	school tuition organizations; tax credit
HB 2140*	schools; physical education; pilot program
HB 2552*	schools; gifted pupils; programs; funding
HB 2613	education and training vouchers; appropriation
HB 2676	private schools; scholarships; disabled pupils
HB 2788*	commission; civic education and engagement
HB 2817*	school district budgets; debts
HB 2873	higher education; budget reconciliation.
SB 1045	postsecondary institutions; SAIS numbers
SB 1094	school boundary changes; financial impact
SB 1151	tax credits; withholding tax reductions
SB 1164	displaced pupils choice grant program
SB 1184	appropriation; alternative teacher development program
SB 1205	schools; transportation RCL; limited
SB 1272*	education technology committee
SB 1323	postsecondary education reforms
SB 1363*	schools; teachers; evaluations
SB 1380	special education; IDEA changes
SB 1382*	AIMS test; dropout prevention
SB 1404	corporate tuition tax credit; amount
SB 1441	relating to medical student loans and scholarships
SB 1446	study committee; postsecondary tuition grants
SB 1455	charter schools; sponsorship
SB 1499	corporate tax credit; tuition organizations
SB 1512*	e-learning digital institute; data warehouse

## CONSTITUTIONAL GOVERNMENT

HB 2001	tax setoff for debts; verification
HB 2074	concealed weapons; training requirement; renewal
HB 2110*	epinephrine; administration by good Samaritans
HB 2130*	game and fish; hunter harassment
HB 2133	lengthy trial fund; juror compensation
HB 2159*	water infrastructure finance; payment approval
HB 2159*	water infrastructure finance; payment approval

\* A “yes” vote on this bill was scored a -1.

HB 2191	court settlements; JLBC; attorney general
HB 2221*	residential rental property inspections
HB 2287	DES; information technology personnel; fingerprints
HB 2317*	mined land reclamation
HB 2343*	developmental disabilities oversight committee
HB 2373	supreme court opinion; single subject
HB 2376*	indecent exposure; breast-feeding
HB 2381	municipal planning; fees disclosure
HB 2387*	Mexico; entry; minors
HB 2394	agricultural improvement districts; electors; trusts
HB 2428*	water service providers; corporate dissolution
HB 2432	county long-term obligations; public hearing
HB 2440	lawsuits; public participation in government
HB 2474*	verification of class three property
HB 2558	adult protective services; investigations; hearings
HB 2584	concealed weapons; firearms safety training
HB 2649	firearms; possession; storage
HB 2675	slum clearance
HB 2712	tax decisions; distribution
HCR 2002	eminent domain; presumption
HCR 2045*	state trust land reform
SB 1020	informal probate; value of property
SB 1041	election law revisions
SB 1064*	minors; entry into Mexico
SB 1099	campaign finance reports; disclosure; exemption
SB 1110	eminent domain; public uses
SB 1138*	condominiums; real property conveyance
SB 1145	self-defense; home protection
SB 1225	public records; declaratory action
SB 1252*	Eminent domain; fees; costs
SB 1276	wine shipment; limited production winery
SB 1324	mental health screenings
SB 1461	department of revenue; continuation
SB 1477	psychotropic drugs; testing; informed consent
SB 1479	local planning; residential housing incentives
SB 1560*	homeowners' associations; violation notices
SCR 1001	deadly force; use; home protection

REGULATION

HB 2041*	industrial commission; continuation
HB 2042*	board of technical registration; continuation
HB 2052*	private postsecondary education board; continuation

HB 2098\* oil and gas commission; continuation  
HB 2107\* adult foster care; licensing  
HB 2128 amusement gambling; charitable organizations  
HB 2162\* insurance annuities: protection  
HB 2162\* insurance annuities: protection  
HB 2214 practice; dental hygienists  
HB 2217\* accountable health plans; filing rates  
HB 2277\* recreational vehicle parks; long-term rentals  
HB 2282\* homeopathic board; continuation  
HB 2283\* medical radiologic technology board; continuation  
HB 2284\* nursing care board; investigations continuation  
HB 2285\* Arizona health facilities authority; continuation  
HB 2286\* umbilical cord blood; donation; information  
HB 2327 corporations; shares without certificates  
HB 2364\* eosinophilic gastrointestinal disorder; benefits  
HB 2374\* dental hygienist; practice without license  
HB 2426\* health professionals; lab costs; billing  
HB 2475\* electric generating facilities; coal; development  
HB 2484 personal identifying information records; disposal  
HB 2585 contractors; licensure; appliance exemption  
HB 2590\* ethanol E85; motor fuel  
HB 2621 illegal liquor sales; liability  
HB 2691\* commercial vehicles; exhaust systems  
HB 2698 small business health insurance plans  
HB 2765\* optometrists; practice designations  
HB 2785\* telephone records; unauthorized sale prohibited  
HB 2786\* medical records; health professionals  
HB 2796 motorized electric; gas powered bicycles  
HB 2812 licensing procedures; cable television  
SB 1007\* condominiums; homeowners' associations; records; fees  
SB 1008\* condominiums; planned communities; foreclosure limitation  
SB 1055\* homeowners' associations; military flags  
SB 1059 vehicle insurance; limitation on loss  
SB 1066\* cigarette sales; licensing; luxury tax  
SB 1070 group life insurance; coverage requirement  
SB 1079\* dental board; omnibus  
SB 1081 behavioral health; licensure; exemption  
SB 1084\* Arizona medical board; omnibus  
SB 1085\* AHCCCS; chiropractic services.  
SB 1102 Arizona medical board; pending complaints  
SB 1104 urgent care centers  
SB 1140\* water; monitoring assistance program

SB 1154	chiropractic care; medical necessity review
SB 1162*	industrial development financing; procedures
SB 1220	vehicle dealer regulations; exceptions
SB 1221	structural pest control; licensure exemption
SB 1222*	professional employer organizations; registration
SB 1255*	lot splits; fissures; recorded disclosure
SB 1259*	tobacco products; storage and display
SB 1322	domestic micro-brewery; licensure
SB 1341	undesignated offenses; licensing; employment
SB 1350*	pesticides; child care facilities; notification
SB 1364*	restocking fees; disclosures
SB 1379*	speech-language pathologists; assistants; licensing
SB 1388	structural pest control; regulation; exemptions
SB 1402*	sales representative contracts
SB 1483*	care institutions; board; fees
SB 1486	corporation commission; telecommunications
SB 1497	plumbing code and commission; repeal
SB 1508*	regulation of off-highway vehicles
SB 1541	equine dentistry exception; veterinarians

#### TAX AND BUDGET

HB 2007	tourism and sports authority; funding
HB 2012*	Prescott historical society; continuation
HB 2089	transaction privilege tax; postage deduction
HB 2132*	municipal tax exemption; fairs
HB 2236*	community facilities districts; counties
HB 2371*	Arizona centennial; funds; appropriation
HB 2429*	solar energy tax incentives
HB 2477*	Arizona twenty-first century fund
HB 2509*	Arizona welcome center; Yuma; appropriation
HB 2554*	alcohol tax; substance abuse treatment
HB 2650	appropriation of federal monies
HB 2661*	state employees; pay increase
HB 2702*	Rio Nuevo; shared revenue
HB 2810*	utility assistance fund; administration
HB 2870*	state government; budget reconciliation.
HB 2871	general revenues; budget reconciliation.
HB 2876	omnibus tax relief act
HCM 2001*	urging support; 2007 farm bill
HCM 2007	federal excise tax; telecommunications; repeal
HCR 2001*	municipal debt; capacity
HCR 2056	local government levy limits; rebase.

SB 1002 tax exemption; utilities; residential customers  
SB 1011\* appropriation; Pearl Harbor memorial  
SB 1046\* appropriation; elderly services  
SB 1065\* tax credits; research and development  
SB 1068 contractor sales tax; development fees  
SB 1071 tax simplification  
SB 1086\* parks board reservation revolving fund  
SB 1149\* VLT exemption; seniors; income based  
SB 1170 estate; generation skipping taxes; repeal  
SB 1193\* appropriation; trauma services  
SB 1206 schools; maximum property tax rate  
SB 1223 business personal property tax; exemption  
SB 1245 school facilities board; emergency deficiencies  
SB 1251\* unclaimed property; agricultural protection  
SB 1263\* Arizona global network project fund  
SB 1288 Insurance premium tax rate  
SB 1289 truth in taxation; levy; election.  
SB 1289 truth in taxation; levy; election.  
SB 1335\* kidney programs; appropriations  
SB 1355\* appropriation; autism research  
SB 1384\* teratogen program; excise tax; repeal  
SB 1385 inactive state funds; elimination  
SB 1390 property tax valuation; telecommunications companies.  
SB 1391 telecommunications companies; property tax valuation  
SB 1392 public health services districts  
SB 1411 prime contracting; exemption; waste disposal  
SB 1413 county development fees; report  
SB 1433 tax exemption; liquid natural gas  
SB 1442\* HCCCS; temporary medical coverage program  
SB 1447 tax credits; TANF employment; repeal  
SB 1457 I didn't pay enough fund  
SB 1458 new tax interpretation; affirmative defense  
SB 1465 income tax rates; phase-out  
SB 1468\* Arizona trail  
SB 1481 property tax exemption; educational institutions  
SB 1502 judicial tax appeal determinations; carryover  
SB 1506 donated food; tax exemption  
SB 1512\* e-learning digital institute; data warehouse  
SB 1544 tax credit, charitable organizations  
SB 1546 tax investment; phase out  
SB 1550\* copper state park  
SB 1576 omnibus tax relief act

SCR 1015	local debt limits; major taxpayer
SCR 1022	property tax exemptions; increases
SCR 1025	property tax; valuation; increase limit
SCR 1027	truth in budgeting amendment
SB 1023*	solar energy advisory council; continuation
SB 1094	standard tax deduction; inflation index
SB 1095	budget reconciliation; taxation; corporations; property
SB 1096	internal revenue code; partial conformity
SB 1119*	parity; DPS employee compensation
SB 1125*	biomedical research commission
SB 1185	use tax percentage based reporting
SB 1188	agency budgets; responsibilities
SB 1189	budget process; revenue reporting
SB 1202	budget reconciliation; revenue; marriage; taxation
SB 1212*	CORP; overtime pay
SB 1238	state income tax withholding; exemption
SB 1256	telecommunications companies; property tax valuation
SB 1294*	nursing education demonstration project; appropriation
SB 1335*	small business investments; tax credit
SB 1346*	motion picture production; tax credit
SB 1347*	motion picture production; tax incentives
SB 1388*	tax credits; research and development
SB 1403	budget reconciliation; general revenues
SB 1483*	tax credits; water conservation systems
SB 1508	commercial property tax relief
SB 1529	revenue; marriage; taxation; budget
SCR 1003	prison population cap; private prisons

## NOTES

The authors thank Goldwater Institute research assistant Arwynn Mattix for her indispensable work of sorting bills, organizing bill analyses, and inputting and tabulating scores.

1. Ariz. Const. art. 2, sec. 2.

2. Andrew Jackson, Farewell Address, March 4, 1837.

3. Thomas Jefferson, First Inaugural Address, March 4, 1801.

4. "Our Opinion: Goldwater's Ideals Don't Fly in Tucson," *Tucson Citizen*, September 29, 2003.

5. For example, see Sierra Club-Grand Canyon Chapter, "2005 Environmental Report Card: Arizona Legislature and Governor," May 25, 2005, [arizona.sierraclub.org/political\\_action/pa\\_2005/EnvironmentalReportCard.pdf](http://arizona.sierraclub.org/political_action/pa_2005/EnvironmentalReportCard.pdf); Arizona Federation of Taxpayers Association, "22nd Annual Legislative Report Card," August 15, 2006, [www.aztaxpayers.org](http://www.aztaxpayers.org); National Federation of Independent Business/Arizona, "Arizona Voting Record," 2004, [www.nfib.com/page/homeAZ](http://www.nfib.com/page/homeAZ).

6. This report card does not include scores for legislators who did not vote during the majority of the legislative session. Thus, scores are not listed for Edward Ableser, Kirk Adams, David Burnell Smith, Chuck Gray, Marilyn Jarrett, or Harry Mitchell.

7. In Arizona, bills must go through several steps to be passed by either chamber, and must pass both chambers to become law. In the process, a bill is heard, debated, and amended by various entities within the considering

chamber. The "Third Read" is the final and formal voting stage of the bill-hearing process. The Third Read vote is conducted by means of an electronic roll-call vote that records each legislator's vote or lack thereof. If a bill is passed by a majority of the entire chamber, or by a two-thirds supermajority in cases of "Proposition 108" or "emergency" bills, it is then transferred to the other chamber for consideration. In the case of simple resolutions and memorials, the measure is transmitted directly to the Secretary of State. In a small number of instances, a bill is voted on twice in the Third Read phase, upon motion to reconsider. In these instances, this report considered each vote separately, with each vote representing a potential point in the final tally. For a comprehensive explanation of legislative procedures and processes, refer to the *Arizona Legislative Manual*, [www.azleg.state.az.us/alisPDFs/council/legman2003.pdf](http://www.azleg.state.az.us/alisPDFs/council/legman2003.pdf).

8. These criteria were aptly summed up by U.S. Rep. Howard Buffett (R-Nebraska) when he asked before every vote, "Will this add to, or subtract from, human liberty?" Bill Kauffman, "Meet Warren Buffett's Daddy," *The American Enterprise*, July/August 2003, [www.taemag.com/ssues/articleID.17205/article\\_detail.asp](http://www.taemag.com/ssues/articleID.17205/article_detail.asp).

9. Legislators were not held accountable for votes from which they were excused or otherwise vacant. If this occurred, the legislator's total was determined by the number of votes for which he was able to vote.

10. Negative raw scores will result in a final score of  $0\% < x < 50\%$ ; positive raw scores will fall in a range of  $50\% < x$

< 100%; a raw score of 0 will equal a final score of exactly 50 percent..

11. Indeed, even when a benefit-cost analysis can be used, its accuracy should be considered highly suspect. See Paul Portney, "Benefit-Cost Analysis," *The Concise Encyclopedia of Economics*, Library of Economics and Liberty, [www.econlib.org/library/Enc/BenefitCostAnalysis.html](http://www.econlib.org/library/Enc/BenefitCostAnalysis.html).

12. For example, see Solveig Bernstein, "Beyond the Communications Decency Act: Constitutional Lessons of the Internet," Cato Institute Policy Analysis no. 262, November 4, 1996, [www.cato.org/pubs/pas/pa-262.html](http://www.cato.org/pubs/pas/pa-262.html).

13. See Pam M. Smith, "Yuma's State Legislators Get Poor Grades from Institute," *Yuma Sun*, October 24, 2003, [goldwaterinstitute.org/article.php?/372.html](http://goldwaterinstitute.org/article.php?/372.html); Amanda Keim, "Legislators Flunk in Institute Report," ASU WebDevil, October 7, 2003, [goldwaterinstitute.org/article.php?/356.html](http://goldwaterinstitute.org/article.php?/356.html); and Editorial, "Our Opinion: Goldwater's Ideals Don't Fly in Tucson," *Tucson Citizen*, September 29, 2003, [goldwaterinstitute.org/article.php?/345.html](http://goldwaterinstitute.org/article.php?/345.html).

14. Bob Stump, "Institute 'grades' have Goldwater rolling in grave," *Arizona Republic*, November 2, 2003.

15. This was acknowledged in an editorial written about the *2003 Legislative Report Card*: "The upshot is, if you embrace the political ideals of Goldwater, the Institute's report card is an apt guide of legislative performance. If Goldwater's politics offended you, low-scoring lawmakers are right up your political alley. Regardless of one's political leanings, the Goldwater

Institute does a thorough and useful job of political analyses," from "Our Opinion: Goldwater's Ideals Don't Fly in Tucson," *Tucson Citizen*, September 29, 2003.

16. In describing the result of Third Read votes, a two-number format is given (X-X). The first number is the number of "aye" or "yes" votes, and the second the number of "nay" or "no" votes.

17. The U.S. Department of Education tests representative student samples to measure academic achievement in a variety of subjects and grades. The results of these exams are available online at [nces.ed.gov/nationsreportcard/states/](http://nces.ed.gov/nationsreportcard/states/).

18. Dan Lips, "Education Notebook: Addressing the Achievement Gap for Foster Children," The Heritage Foundation, April 28, 2006, [www.heritage.org/Research/Education/EdNotes26.cfm](http://www.heritage.org/Research/Education/EdNotes26.cfm).

19. Chester Finn, Andrew Rotherham and Charles Hokanson (eds.), *Rethinking Special Education for a New Century* (Washington D.C.: Thomas B. Fordham Foundation, 2001). Available at [www.edexcellence.net/foundation/topic/topic.cfm?topic\\_id=15](http://www.edexcellence.net/foundation/topic/topic.cfm?topic_id=15).

20. Patrick J. Wolf and Bryan Hassel, "Effectiveness and Accountability (Part1): The Compliance Model," in Chester Finn et al. (eds.), *Rethinking Special Education for a New Century*, (Washington, D.C.: Thomas B. Fordham Foundation, 2001): 53-76.

21. See Jay P. Greene and Greg Forster, "Vouchers for Special Education Students: An Evaluation of Florida's

McKay Scholarship Program,” Manhattan Institute, June, 2003, [http://www.manhattaninstitute.org/cr\\_38.pdf](http://www.manhattaninstitute.org/cr_38.pdf).

22. Vicki Murray, “Cash for College: Bringing Free-market Reform to Higher Education,” Goldwater Institute policy report no. 208, March 14, 2006, [www.goldwaterinstitute.org/pdf/materials/921.pdf](http://www.goldwaterinstitute.org/pdf/materials/921.pdf).

23. Arizona State Constitution, art. 2, sec. 2.

24. An overview of abuses in Arizona is provided in Jordan Rose, “Eminent Domain Abuse in Arizona: The Growing Threat to Private Property,” Arizona Issue Analysis no. 174, Goldwater Institute, August 16, 2003, [www.goldwaterinstitute.org/article.php/134.html](http://www.goldwaterinstitute.org/article.php/134.html). An overview of nationwide abuses is provided in Dana Berliner, “Public Power, Private Gain,” Institute for Justice/Castle Coalition, April 2003, [www.castlecoalition.org/report/pdf/ED\\_report.pdf](http://www.castlecoalition.org/report/pdf/ED_report.pdf).

25. See Robert A. Levy, “Arizona’s Anti-Tobacco Crusade: Smoke Free or Free to Smoke?” Arizona Issue Analysis no. 176, Goldwater Institute, October 8, 2002, [www.goldwaterinstitute.org/article.php/173.html](http://www.goldwaterinstitute.org/article.php/173.html).

26. The maxim that government must respect the rights of individuals to live as they please, so long as they do not actually harm someone else, is one of the cornerstones of Western civilization and political tradition, as well as a key element in the American constitutional canon. Numerous thinkers have articulated variations of that maxim over the past half millennium. A very short list of such thinkers includes Thomas

Jefferson, John Locke, James Madison, John Stuart Mill, Robert Nozick, Thomas Paine, and Herbert Spencer. That maxim has also been defended on a strictly utilitarian basis, from economic and historical evidence, by numerous thinkers over the past 250 years. A very short list includes Milton Friedman, F. A. Hayek, David Hume, Adam Smith, and Ludwig von Mises.

27. The classic American discussion of decentralization and subsidiarity is found in *The Federalist Papers* and in *The Anti-Federalist Papers* [Herbert Storing, ed., *The Anti-Federalist* (Chicago: The University of Chicago Press, 1985)]. Other treatments of the subject include Felix Morley, *Freedom and Federalism* (Indianapolis: Liberty Fund, 1981); F. A. Hayek, *The Political Order of a Free People*, vol. 3 of *Law, Legislation, and Liberty* (Chicago: The University of Chicago Press, 1979); and Michael S. Greve, *Real Federalism: Why it Matters, How it Could Happen* (Washington: AEI Press, 1999). For analyses of decentralization at the local level, see Sam Staley, “Bigger is Not Better: The Virtues of Decentralized Local Government,” Cato Policy Analysis no. 166, January 21, 1992, [www.cato.org/pubs/pas/pa-166.html](http://www.cato.org/pubs/pas/pa-166.html); and Charles M. Tiebout, “A Pure Theory of Local Expenditure,” *Journal of Political Economy* 64 (October 1956): 416-24.

28. Darcy Olsen, “Mothers Welcome Here,” Goldwater Institute Today’s News, August 19, 2005, [www.goldwaterinstitute.org/article.php?/723.html](http://www.goldwaterinstitute.org/article.php?/723.html).

29. Benjamin Barr and Tim Keller,

“This Land Is My Land: Reforming Eminent Domain after *Kelo v. City of New London*,” Goldwater Institute policy brief no. 06-01, January 17, 2006, [www.goldwaterinstitute.org/pdf/materials/870.pdf](http://www.goldwaterinstitute.org/pdf/materials/870.pdf).

30. Timothy Sandefur, “Playing the Takings Game: How Government Regulates Away Property Rights,” Goldwater Institute policy report no. 210, June 13, 2006, [www.goldwaterinstitute.org/pdf/materials/1035.pdf](http://www.goldwaterinstitute.org/pdf/materials/1035.pdf).

31. Thomas Jefferson, letter to Thomas Cooper, November 29, 1802.

32. Total federal regulatory costs alone were estimated to be \$860 billion in 2002. Clyde Wayne Crews Jr., “Ten Thousand Commandments: An Annual Snapshot of the Federal Regulatory State,” *Cato Paper*, June 8, 2003, [www.cato.org/tech/pubs/10kc\\_2003.pdf](http://www.cato.org/tech/pubs/10kc_2003.pdf). Indeed, many observers have argued that regulations often cost individuals more than they benefit them. For example, see Sam Kazman, general counsel, *Comments of the Competitive Enterprise Institute and Consumer Alert to the United States Department of Transportation*, National Highway Traffic Safety Administration, December 16, 2002, [cei.org/gencon/027,03371.cfm](http://cei.org/gencon/027,03371.cfm); Doug Bandow, “The FDA Can Be Dangerous to Your Health,” *Fortune*, January 29, 1997, [www.cato.org/dailys/1-29-97.html](http://www.cato.org/dailys/1-29-97.html); Kay Jones and Michael Gough, “Smog Proposal Promises a Legacy of High Costs and Lost Lives,” *Detroit News*, July 8, 1997, [www.cato.org/dailys/7-08-97.html](http://www.cato.org/dailys/7-08-97.html); and Jonathan Klick and Thomas Stratmann, “Subsidizing Addiction: Do State Health

Insurance Mandates Increase Alcohol Consumption?” Research Paper, Mercatus Center, June 3, 2003, [www.mercatus.org/pdf/materials/331.pdf](http://www.mercatus.org/pdf/materials/331.pdf). Also for a more general discussion of the theory of detrimental regulation see Robert W. Crandall, “An End to Economic Regulation?,” in *Competition and Regulation in Utility Markets*, ed. Colin Robinson (London: Edward Elgar, 2003) and Sam Peltzman, “The Economic Theory of Regulation after a Decade of Deregulation,” in *Brookings Papers on Economic Activity, Microeconomics 1989* (Washington, D.C.: Brookings Institution Press, 1989).

33. The phrase “public good” is used here in the strict economic sense, with the further caveat that the very few goods having the characteristics of public goods actually require government provision. For an exploration of the concept of public goods, see Tyler Cowen, ed., *Public Goods and Market Failures: A Critical Examination* (New Brunswick, N.J.: Transaction Publishers, 1991).

34. Yesmin Yilmaz, “Private Regulation: A Real Alternative for Regulatory Reform,” *Cato Policy Analysis*, April 20, 1998, [www.cato.org/pubs/pas/pa-303.pdf](http://www.cato.org/pubs/pas/pa-303.pdf); and “Health and Safety Policy,” *Cato Handbook for Congress: 108th Congress*, [www.cato.org/pubs/handbookhb108/hb108-35.pdf](http://www.cato.org/pubs/handbookhb108/hb108-35.pdf).

35. Judge Richard Posner explains this concept: “regulation is not about the public interest at all, it is a process, by which interest groups seek to promote their private interest. . . . Over time,

regulatory agencies come to be dominated by the industries regulated,” [www.economist.com/research/Economics/alphabetic.cfm?LETTER=R#REGULATORY%20CAPTURE](http://www.economist.com/research/Economics/alphabetic.cfm?LETTER=R#REGULATORY%20CAPTURE). For more on this topic, see Sean Barrett, “Regulatory Capture, Property Rights and Taxi Deregulation: A Case Study,” *Economic Affairs* 23 (December 2003): 34-40; Richard Posner, “Theories of economic regulation,” *Bell Journal of Economics and Management Science* 5, (1974): 335-58; Michael E. Levine, “Regulatory Capture,” in *New Palgrave Dictionary of Economics and the Law*, vol. 3 (1998): 267-71, [www.wcfia.harvard.edu/seminars/pegroup/levine.pdf](http://www.wcfia.harvard.edu/seminars/pegroup/levine.pdf); and Irina Slinko, Ekaterina V. Zhuravskaya, Evgeny Yakovlev, “Laws for Sale: An Empirical Study of the Effects of Regulatory Capture,” CEFIR Discussion Paper, (March 2004), [ssrn.com/abstract=402840](http://ssrn.com/abstract=402840).

36. Mark Brnovich, “Trading Grapes: The Case for Direct Wine Shipments in Arizona,” Goldwater Institute policy report no. 184, November 18, 2003, [www.goldwaterinstitute.org/article.php?/369.html](http://www.goldwaterinstitute.org/article.php?/369.html).

37. Thomas Paine, *Rights of Man, Collected Writings*, Foner ed., Library of America (549).

38. See Robert Franciosi, “Assessing Arizona’s Economy: Boom or Bust?” Arizona Issue Analysis no. 172, Goldwater Institute, June 6, 2002, 18-19, [www.goldwaterinstitute.org/article.php/65.html](http://www.goldwaterinstitute.org/article.php/65.html); Stephen Moore and Stephen Slivinski, “Fiscal Policy Report Card on America’s Governors: 2002,” Cato Institute Policy Analysis no. 454, September 20, 2002, [www.cato.org/](http://www.cato.org/)

[pubs/pas/pa-454es.html](http://pubs/pas/pa-454es.html); Zsolt Besci, “Do State and Local Taxes Affect Relative State Growth?” *Economic Review*, Federal Reserve Bank of Atlanta, March/April 1996, 18-36; Gerald Scully, “The Institutional Framework and Economic Development,” *Journal of Political Economy*, June 1988; Robert Carroll, et. al., “Personal Income Taxes and the Growth of Small Firms,” National Bureau of Economic Research Working Paper W7980, October 2000; Ross Gittell, Allen Kaufman, and Marvin Karson, “The New Economic Geography of the States,” *Economic Development Quarterly*, May 2000; and Richard Vedder, “Taxes and Economic Growth,” Taxpayer’s Network, September 2001.

39. A good introduction to the concept of “deadweight loss” of taxation is Martin Feldstein, “Tax Avoidance and the Deadweight Loss of the Income Tax,” *The Review of Economics and Statistics*, November 1999, 674-680. See also Richard K. Vedder and Lowell E. Gallaway, “Tax Reduction and Economic Welfare,” Joint Economic Committee (April 1999), [www.house.gov/jec/fiscal/tax/reduce.pdf#search=%22deadweight%20loss%20taxation%22](http://www.house.gov/jec/fiscal/tax/reduce.pdf#search=%22deadweight%20loss%20taxation%22).

40. Dean Stansel and Stephen Moore, “The State Spending Sprees of the 1990s,” Cato Policy Analysis no. 343, May 13, 1999, [www.cato.org/pubs/pas/pa-343es.html](http://www.cato.org/pubs/pas/pa-343es.html).

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Arizona Issue Analysis no. 170, Goldwater Institute, May 2, 2003, [www.goldwaterinstitute.org/article.php/19.html](http://www.goldwaterinstitute.org/article.php/19.html).

42. See Mancur Olsen Jr., *The Logic of Collective Action* (Harvard University Press, 1971); James Buchanan and Gordon Tullock, *Toward a Theory of the Rent Seeking Society* (Texas A & M Press, 1980); James Buchanan and Gordon Tullock, *The Calculus of Consent* (University of Michigan Press, 1962); and Gordon Tullock, *The Vote Motive* (The Institute of Economic Affairs, 1976).

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44. "Corporate Welfare," Cato Handbook for Congress: 108th Congress, Cato Institute, [www.cato.org/pubs/handbook/hb108/hb108-33.pdf](http://www.cato.org/pubs/handbook/hb108/hb108-33.pdf). This also occurs in a form known as "rent seeking" and was fully explored in Gordon Tullock, *Rent Seeking*, (Northampton, MA: Edward Elgar Publishing, 1993).

45. This is a common public choice explanation of how political interests operate. Assume Arizona's legislature is considering a proposal for a new \$40 million program. Also assume that 4,000 Arizonans will benefit from that program, and that they will share those benefits equally. That means each will

receive \$10,000 from the program. Meanwhile, assume the cost of the program in taxes is spread out equally over four million Arizona taxpayers. Each taxpayer will have to pay \$10 for the program. The results of this arrangement are clear: the beneficiaries, who each stand to gain \$9,990 (\$10,000 minus \$10), have a strong incentive to lobby for the program. But the average taxpayer, who stands to lose only \$10, has very little incentive to resist the program, even with the rational understanding that \$10 here and \$10 there eventually add up to large tax bills. For further discussion, see Mancur Olsen Jr., *The Logic of Collective Action* (Harvard University Press, 1971); James Buchanan and Gordon Tullock, *Toward a Theory of the Rent Seeking Society* (Texas A & M Press, 1980); James Buchanan and Gordon Tullock, *The Calculus of Consent* (University of Michigan Press, 1962); and Gordon Tullock, *The Vote Motive* (The Institute of Economic Affairs, 1976).

46. The most promising kind of spending limitation would be based on Colorado's Taxpayer Bill of Rights, which limits growth in state expenditures to the rate of population growth plus inflation, with surpluses above the limit refunded to taxpayers. See Michael New, "Tax and Expenditure Limitations: What Arizona Can Learn from Other States," Arizona Issue Analysis no. 180, Goldwater Institute, April 21, 2003, [www.goldwaterinstitute.org/article.php/265.html](http://www.goldwaterinstitute.org/article.php/265.html); and Stephen Slivinski, "Put a Cap on It: How to Control Government Spending and Balance the Budget," Arizona Issue

Analysis no. 167, Goldwater Institute, November 15, 2001, [www.goldwaterinstitute.org/article.php](http://www.goldwaterinstitute.org/article.php).

47. Based on estimates from other states, the range of “dynamic revenue feedback” (the extent to which resultant changes in economic activity reduces the revenue impact) is anywhere from two to 20 percent. See “Overview of Dynamic Revenue Forecasting,” Joint Legislative Budget Committee, [www.azleg.gov/jlbc/m-RevForecasting.pdf](http://www.azleg.gov/jlbc/m-RevForecasting.pdf).

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49. Martin Feldstein, “Tax Avoidance and the Deadweight Loss of the Income Tax,” *The Review of Economics and Statistics*, Vol. 80, No. 4, 674-680 (November 1999), [www.mitpressjournals.org/doi/abs/10.1162/003465399558391](http://www.mitpressjournals.org/doi/abs/10.1162/003465399558391);

50. Mark Rider, “The Effect of Personal Income Tax Rates on Individual and Business Decisions: A Review of the Evidence,” Providence Chamber of Commerce, [providence.wliinc2.com/newsletter/pits.pdf](http://providence.wliinc2.com/newsletter/pits.pdf);

51. Matthew Ladner, “The Tax Man and the Moving Van: Fiscal Policy and State Population Shifts,” Goldwater Institute Policy report No. 194, May 24, 2004, [www.goldwaterinstitute.org/pdf/materials/444.pdf](http://www.goldwaterinstitute.org/pdf/materials/444.pdf);

52. According to *Laws 2000*, Chapter 372, the threshold was \$292,000 per month, with an annual increase of 8 percent starting in 2000.

53. An identical measure was passed in 2005 as part of a bill that had a few other budget-related measures. This particular provision in the bill was line-item vetoed by the governor.

54. “HB 2650: appropriation of federal monies,” House Fact Sheet, Forty-seventh Legislature, Second Regular Session.

55. Stephen J. Entin, “Taxing Talk: The Telephone Excise Tax and the Universal Service Fees,” The Tax Foundation, Background Paper no. 34, March 1, 2000, [www.taxfoundation.org/news/show/123.html](http://www.taxfoundation.org/news/show/123.html).

56. Averages were calculated by averaging scores of the senators and representatives from each district, with equal weight given to each.

57. Joint Legislative Budget Committee, “FY 2007 Appropriations Report,” Arizona Legislature, July 2006, <http://www.azleg.gov/jlbc/07app/apprpttoc.pdf>.

58. Satya Thallam, “2003 Legislative Report Card,” Goldwater Institute policy report no. 83, September 29, 2003, [goldwaterinstitute.org/pdf/materials/346.pdf](http://goldwaterinstitute.org/pdf/materials/346.pdf).

59. Satya Thallam, “2004 Legislative Report Card for Arizona’s Forty-sixth Legislature, Second Regular Session,” Goldwater Institute policy report no. 197, October 25, 2004, [www.goldwaterinstitute.org/article.php?/490.html](http://www.goldwaterinstitute.org/article.php?/490.html); Satya Thallam, “2005 Legislative Report Card for Arizona’s Forty-seventh Legislature, First Regular Session,” Policy Report no. 205, Goldwater Institute, September 1, 2005, [www.goldwaterinstitute.org/article.php?/731.html](http://www.goldwaterinstitute.org/article.php?/731.html).

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