



## 2021 Legislative Scorecard

In the 2021 legislative session, Arizona Governor and state legislators had a historic opportunity to use a massive surplus of state and federal resources to make long-term investments and improve the economic well-being of all Arizonans. Yet sadly, a slim majority of legislators squandered this chance by giving billions of dollars to the wealthiest households, negating the will of the voters as expressed through Proposition 208 and surrendering the ability to invest in Arizona's future. The enacted budget is the latest and most egregious in more than 30 years of prioritizing tax cuts, credits, and deductions that tilt the scales of state finances in favor of the those with high incomes.

Not in recent memory did state lawmakers wield such a windfall of resources. With revenues repeatedly beating cautious forecasts thanks to federal relief, Arizona's General Fund balances (ongoing and cash) were forecasted to exceed \$6 billion over the next three years. This combined with over \$12 billion in one-time federal funds through the American Rescue Plan Act gave elected officials an unprecedented opportunity to address longstanding needs across the state

and build a people first economy. For once, a lack of funds was no excuse for refusing to make these crucial, overdue investments (all of which could happen without raising taxes).

Amidst all of this, good legislation that was passed and signed into law, including a ballot referral to allow in-state tuition for undocumented high school students and a measure to expand the health care workforce serving Arizona's tribal communities. And many more strong pieces of legislation were introduced yet failed to be heard in committees or proceed to votes, including a statewide paid family and medical leave program, creation of a state finance review task force to analyze state revenues, and stronger investment in affordable housing and infrastructure, among other needs.

AZCenter's 2021 Legislative Scorecard summarizes the choices that current policymakers made on key legislation that was passed into law this year. The scorecard is not reflective of all policy positions and advocacy activities; its goal is to help connect-the-dots for Arizonans and the decisions policymakers made during the 2021 legislative session.

# Bill Synopses

## **SCR1044 – Tuition Equity for All**

*Sponsored by Senator Boyer*

SCR1044 is a referral to the voters that will provide in-state tuition at public universities and community colleges to all students who graduate from a high school in Arizona, regardless of immigration status.

**Senate vote – Ayes: 17 Nays: 13. House vote – Ayes: 33 Nays: 27 Sent to Secretary of State.**

## **SB1301 – Arizona Health Education Centers**

*Sponsored by Senator Shope*

Expands Arizona’s statewide Arizona Health Education Center (AHEC) network to include a 6th AHEC regional center that will improve the Indian Health Care Delivery system in Arizona. Investing in a 6th AHEC addresses the chronic vacancy and lack of health care providers in rural and Tribal communities by ensuring that Arizona is recruiting, training, and retaining a quality and diverse healthcare workforce that meets the needs of Arizonans today and in the future.

**Senate vote – Ayes: 30 Nays: 0. House vote – Ayes: 60 Nays: 0. Signed by Governor Ducey.**

## **SB1124 – Low-income Housing Tax Credit**

*Sponsored by Senator Gowan*

Establishes a non-refundable state tax credit to mirror the federal low-income housing tax credit (LIHTC) for investments in qualifying rental housing. Credits are claimed against individual income, corporate income, and insurance premium tax liability. While the state credit may encourage the production of affordable units, it may pad developer and investor profit without producing adequate units. And without sufficient investment into the state housing trust fund, these projects will likely not reach enough renters facing the greatest housing instability. Among other changes, SB1124 also provides one-time funding to a single Tribal community college. This one-time funding appropriation does not adequately address the chronic underfunding of Arizona Tribal colleges and SB1124 fails to create a permanent and sustainable funding source. As a whole SB1124 falls short in addressing the critical needs of all Arizonans.

**Senate vote – Ayes: 29 Nays: 1. House vote – Ayes: 36 Nays: 22. Not voting: 2. Signed by Governor Ducey.**

## **SB1783 – Small Business Income Tax**

*Sponsored by Senator Mesnard*

Allows wealthy taxpayers to exclude income they earn from businesses, trusts, and estates in the calculation of their individual taxable income and instead be taxed separately. This new small business tax allows individuals to avoid the voter approved Proposition 208, 3.5 percent surcharge, reducing Proposition 208 revenue by an estimated \$292 million.

**Senate vote – Ayes: 16 Nays: 14. House vote – Ayes: 31 Nays: 25 Not voting: 4. Signed by Governor Ducey.**

## **SB1827 – Individual Income Taxes Cap**

*Sponsored by Senator Fann and Representative Toma*

Establishes a maximum individual income tax rate of 4.5%. This new cap was written to specifically protect Arizona's wealthiest taxpayers. In 2020, voters passed Proposition 208, establishing a 3.5 percent income tax surcharge on the wealthiest Arizonans to increase funding for Arizona's public schools. SB1827 impacts only taxpayers who would be required to pay the new surcharge by reducing their income tax rate to 1 percent, costing the general fund more than \$480 million a year in revenue.

**Senate vote – Ayes: 16 Nays: 14. House vote – Ayes: 31 Nays: 29. Signed by Governor Ducey.**

## **SB1828 – Flat Individual Income Tax**

*Sponsored by Senator Mesnard and Representative Toma*

SB1828 marks the largest tax cut in Arizona history which overwhelmingly benefits the wealthiest taxpayers. The bill moves Arizona's individual income tax from a graduated system with rates ranging from 2.59% to 4.5% to a 2.5% flat tax that, when fully phased in, is estimated to cost the general fund \$1.5 billion a year. 60% of the [flat] tax cuts will go to the top one percent of Arizona incomes with an average tax cut of \$29,000, while those households earning \$64K or less will receive an average tax cut of just \$10.

**Senate vote – Ayes: 16 Nays: 14. House vote – Ayes: 31 Nays: 29. Signed by Governor Ducey.**

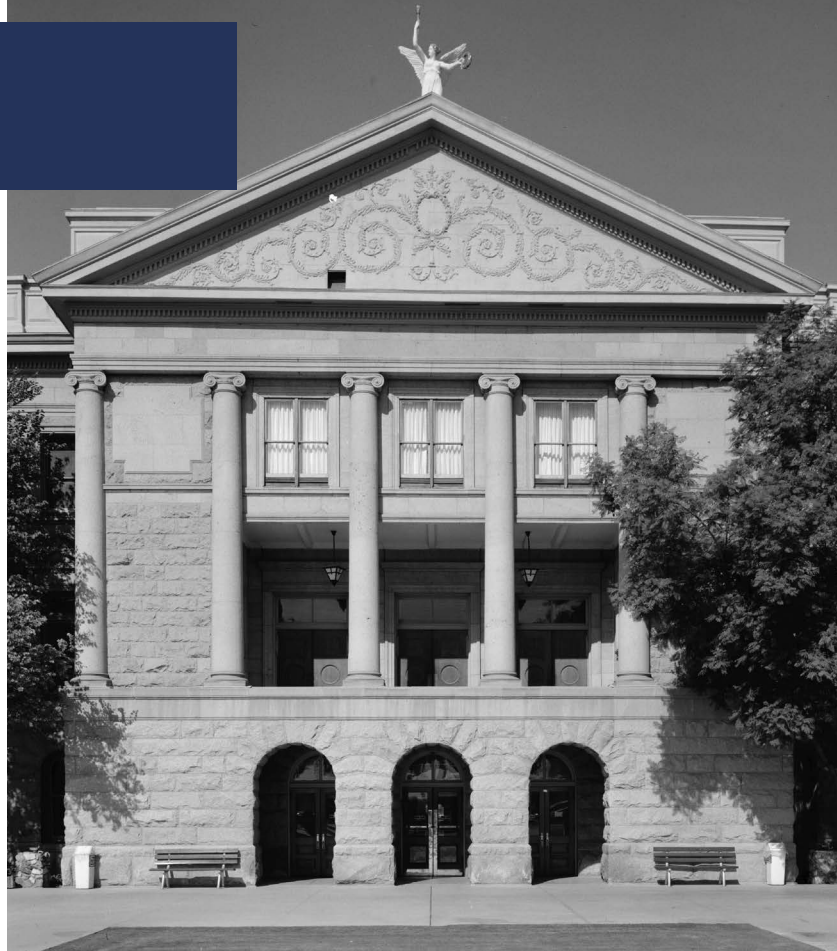
# Opportunity Ahead

As a border state, Arizona's past, present, and future success has been and will continue to be intrinsically linked to immigration. Today, more than 13 percent of the state's residents are immigrants. One in six Arizona workers is an immigrant and sixteen percent of immigrants are business owners. State industries like agriculture depend on an even greater share of immigrant workers. As workers, business owners, taxpayers, and neighbors, immigrants are an integral part of Arizona's diverse and thriving communities and make extensive contributions to our economy that benefit all.

In 2006, the Arizona State Legislature referred Proposition 300 to the voters to restrict the access of public services for undocumented persons. The referendum was designed to reinforce and broaden limitation on immigrants and mixed status households, including prohibiting the access to child care subsidies, adult English education, financial aid and in-state tuition.

After nearly a decade of anti-immigrant legislation and rhetoric, Republicans and Democrats passed SCR 1044, placing the measure on the November 2022 ballot and partially repealing Proposition 300. SCR 1044 asks Arizona voters to join more than 20 other states that have adopted "tuition equity" laws or policies that permit certain students who have attended and graduated from high schools in their state to pay the same tuition as their "in-state" classmates at public colleges and universities in the state. These states include Texas, Florida, Utah, Colorado, and Oklahoma.

It is estimated that today more than 2,000 undocumented students graduate from Arizona's high schools each year with profoundly limited in-state opportunities for postsecondary education and training. SCR 1044 is one step in the right direction to reverse flawed policies that have excluded an essential workforce and community in the state.



# House Votes

Legislator	District	Tuition	Arizona	Low Income	Small	Individual	Flat
		Equity	Health	Housing	Business	Income	Individual
		For All	Education	Tax Credit	Income Tax	Tax Cap	Income Tax
		SCR1044	Centers	SB1124	SB1783	SB1827	SB1828
Andrade, Richard	LD 29	YEA	YEA	NAY	NAY	NAY	NAY
Barton, Brenda	LD 06	NAY	YEA	NAY	YEA	YEA	YEA
Biasiucci, Leo	LD 05	NAY	YEA	NAY	YEA	YEA	YEA
Blackman, Walter	LD 06	NAY	YEA	YEA	YEA	YEA	YEA
Blackwater- Nygren, Jasmine	LD 07	YEA	YEA	YEA	NAY	NAY	NAY
Bolding, Reginald	LD 27	YEA	YEA	YEA	NAY	NAY	NAY
Bolick, Shawna	LD 20	NAY	YEA	NAY	YEA	YEA	YEA
Bowers, Russell	LD 25	NAY	YEA	YEA	YEA	YEA	YEA
Burges, Judy	LD 01	NAY	YEA	NAY	YEA	YEA	YEA
Butler, Kelli	LD 28	YEA	YEA	YEA	NV	NAY	NAY
Cano, Andres	LD 03	YEA	YEA	YEA	NAY	NAY	NAY
Carroll, Frank	LD 22	NAY	YEA	NAY	YEA	YEA	YEA
Chaplik, Joseph	LD 23	NAY	YEA	NAY	YEA	YEA	YEA
Chavez, Cesar	LD 29	YEA	YEA	NV	NAY	NAY	NAY
Cobb, Regina	LD 05	NAY	YEA	YEA	YEA	YEA	YEA
Cook, David	LD 08	YEA	YEA	YEA	YEA	YEA	YEA
Dalessandro, Andrea	LD 02	YEA	YEA	YEA	NAY	NAY	NAY
DeGrazia, Domingo	LD 10	YEA	YEA	NAY	NAY	NAY	NAY
Dunn, Timothy	LD 13	NAY	YEA	YEA	YEA	YEA	YEA
Epstein, Mitzi	LD 18	YEA	YEA	YEA	NAY	NAY	NAY
Espinoza, Diego	LD 19	YEA	YEA	YEA	NAY	NAY	NAY
Fernandez, Charlene	LD 04	YEA	YEA	YEA	NAY	NAY	NAY
Fillmore, John	LD 16	NAY	YEA	NAY	YEA	YEA	YEA
Finchem, Mark	LD 11	NAY	YEA	YEA	YEA	YEA	YEA
Friese, Randall	LD 09	YEA	YEA	YEA	NV	NAY	NAY
Grantham, Travis	LD 12	NAY	YEA	NAY	YEA	YEA	YEA
Griffin, Gail	LD 14	NAY	YEA	NAY	YEA	YEA	YEA
Hernandez, Alma	LD 03	YEA	YEA	YEA	NAY	NAY	NAY
Hernandez, Daniel	LD 02	YEA	YEA	YEA	NAY	NAY	NAY



Hernandez, Melody	LD 26	YEA	YEA	NAY	NV	NAY	NAY
Hoffman, Jake	LD 12	NAY	YEA	NAY	YEA	YEA	YEA
Jermaine, Jennifer	LD 18	YEA	YEA	YEA	NAY	NAY	NAY
John, Joel	LD 04	YEA	YEA	YEA	YEA	YEA	YEA
Kaiser, Steve	LD 15	NAY	YEA	NAY	YEA	YEA	YEA
Kavanagh, John	LD 23	NAY	YEA	NAY	YEA	YEA	YEA
Lieberman, Aaron	LD 28	YEA	YEA	YEA	NAY	NAY	NAY
Longdon, Jennifer	LD 24	YEA	YEA	YEA	NAY	NAY	NAY
Meza, Robert	LD 30	YEA	YEA	YEA	NAY	NAY	NAY
Nguyen, Quang	LD 01	NAY	YEA	NAY	YEA	YEA	YEA
Nutt, Becky	LD 14	NAY	YEA	NAY	YEA	YEA	YEA
Osborne, Joanne	LD 13	YEA	YEA	YEA	YEA	YEA	YEA
Parker, Jacqueline	LD 16	NAY	YEA	NV	YEA	YEA	YEA
Pawlik, Jennifer	LD 17	YEA	YEA	YEA	NAY	NAY	NAY
Payne, Kevin	LD 21	NAY	YEA	NAY	YEA	YEA	YEA
Pingerelli, Beverly	LD 21	NAY	YEA	NAY	YEA	YEA	YEA
Powers Hannley, Pamela	LD 09	YEA	YEA	NAY	NAY	NAY	NAY
Pratt, Franklin	LD 08	NAY	YEA	YEA	YEA	YEA	YEA
Roberts, Bret	LD 11	NAY	YEA	NAY	YEA	YEA	YEA
Rodriguez, Diego	LD 27	YEA	YEA	YEA	NAY	NAY	NAY
Salman, Athena	LD 26	YEA	YEA	NAY	NAY	NAY	NAY
Schwiebert, Judy	LD 20	YEA	YEA	YEA	NAY	NAY	NAY
Shah, Amish	LD 24	YEA	YEA	YEA	NAY	NAY	NAY
Sierra, Lorenzo	LD 19	YEA	YEA	YEA	NAY	NAY	NAY
Stahl Hamilton, Stephanie	LD 10	YEA	YEA	YEA	NAY	NAY	NAY
Teran, Raquel	LD 30	YEA	YEA	YEA	NV	NAY	NAY
Toma, Ben	LD 22	NAY	YEA	YEA	YEA	YEA	YEA
Tsosie, Myron	LD 07	YEA	YEA	YEA	NAY	NAY	NAY
Udall, Michelle	LD 25	YEA	YEA	YEA	YEA	YEA	YEA
Weninger, Jeff	LD 17	NAY	YEA	YEA	YEA	YEA	YEA
Wilmeth, Justin	LD 15	NAY	YEA	YEA	YEA	YEA	YEA

# Senate Votes

		Tuition Equity For All	Arizona Health Education Centers	Low Income Housing Tax Credit	Small Business Income Tax	Individual Income Tax Cap	Flat Individual Income Tax
Legislator	District	SCR1044	SB1301	SB1124	SB1783	SB1827	SB1828
Alston, Lela	LD 24	YEA	YEA	YEA	NAY	NAY	NAY
Barto, Nancy	LD 15	NAY	YEA	NAY	YEA	YEA	YEA
Borrelli, Sonny	LD 05	NAY	YEA	YEA	YEA	YEA	YEA
Bowie, Sean	LD 18	YEA	YEA	YEA	NAY	NAY	NAY
Boyer, Paul	LD 20	YEA	YEA	NAY	YEA	YEA	YEA
Chavira Contreras, Lupe	LD 19	YEA	YEA	YEA	NAY	NAY	NAY
Engel, Kirsten	LD 10	YEA	YEA	YEA	NAY	NAY	NAY
Fann, Karen	LD 01	NAY	YEA	YEA	YEA	YEA	YEA
Gabaldon, Rosanna	LD 02	YEA	YEA	YEA	NAY	NAY	NAY
Gonzales, Sally	LD 03	YEA	YEA	YEA	NAY	NAY	NAY
Gowan, David	LD 14	NAY	YEA	YEA	YEA	YEA	YEA
Gray, Rick	LD 21	NAY	YEA	NAY	YEA	YEA	YEA
Kerr, Sinet	LD 13	NAY	YEA	YEA	YEA	YEA	YEA
Leach, Vince	LD 11	NAY	YEA	YEA	YEA	YEA	YEA
Livingston, David	LD 22	NAY	YEA	YEA	YEA	YEA	YEA
Marsh, Christine	LD 28	YEA	YEA	YEA	NAY	NAY	NAY
Mendez, Juan	LD 26	YEA	YEA	NAY	NAY	NAY	NAY
Mesnard, Javan	LD 17	NAY	YEA	NAY	YEA	YEA	YEA
Otondo, Lisa	LD 04	YEA	YEA	YEA	NAY	NAY	NAY
Pace, Tyler	LD 25	YEA	YEA	YEA	YEA	YEA	YEA
Peshlakai, Jamescita	LD 07	YEA	YEA	YEA	NAY	NAY	NAY
Petersen, Warren	LD 12	NAY	YEA	NAY	YEA	YEA	YEA
Quezada, Martin	LD 29	YEA	YEA	YEA	NAY	NAY	NAY
Rios, Rebecca	LD 27	YEA	YEA	YEA	NAY	NAY	NAY
Rogers, Wendy	LD 06	NAY	YEA	NAY	YEA	YEA	YEA
Shope, T.J.	LD 08	YEA	YEA	YEA	YEA	YEA	YEA
Steele, Victoria	LD 09	YEA	YEA	NV	NV	NAY	NAY
Townsend, Kelly	LD 16	NAY	YEA	NAY	YEA	YEA	YEA
Ugenti, Michelle	LD 23	NAY	YEA	NAY	YEA	YEA	YEA