

Ballot Proposition 209
Predatory Debt Collection Protection Act
Fiscal Analysis

Estimated Impact

A.R.S. § 19-123(E) requires the Joint Legislative Budget Committee Staff to prepare a summary of 300 words or less on the fiscal impact of voter-initiated ballot measures. Proposition 209 would a) lower the interest rate cap on medical debt, b) increase the amount of equity in a person's home that is protected from certain creditors, including tax liens from state and local governments c) increase the dollar value of personal property and assets exempt from the claims of creditors, and d) increase the amount of earnings that is exempt from the claims of creditors.

The proposition is not generally expected to have a direct impact on the state's General Fund revenues. The increase of the amount of equity protected from creditors under the measure, however, could adversely affect the ability to collect tax liens, which may reduce state and local tax revenues relative to current law. The amount of the potential state and local tax revenue loss cannot be determined in advance.