

FISCAL IMPACT OF LEGISLATIVELY-REFERRED 2014 BALLOT MEASURES

A.R.S. § 19-123(D) requires the JLBC Staff to prepare a summary of 300 words or less on the fiscal impact of voter-initiated ballot measures for publication in the Secretary of State's publicity pamphlet.

Unlike voter-initiated measures, legislatively-referred ballot measures and recommendations for legislative salaries from the Commission on Salaries for Elective State Officers do not require a fiscal impact statement in the publicity pamphlet. As a substitute, the JLBC Staff provides the following brief summaries for the 2 legislatively-referred measures and the Commission's legislative salary recommendation.

Proposition 122 - rejection of unconstitutional federal actions

Proposition 122 would amend the Arizona Constitution to permit the state to restrict the actions of its personnel and the use of financial resources to purposes consistent with the United States Constitution by passing an initiative or referendum, passing legislation, or pursuing any other legal remedy. If the state exercises its authority in such a way, the state and its political subdivisions are prohibited from using personnel or financial resources to enforce, administer or cooperate with the designated federal action or program.

The fiscal impact of Proposition 122 cannot be determined in advance as it would depend on future electoral, legislative, and legal actions.

Proposition 303 - use of investigational drugs, biological products and devices

Proposition 303 would allow a manufacturer to make available to an eligible patient an investigational drug, biological product or device. The measure permits, but does not require, a health care insurer or state agency to provide coverage for the investigational drug, biological product or device.

The fiscal impact of Proposition 303 cannot be determined in advance. The state offers health care coverage to certain state residents via the Arizona Health Care Cost Containment System (AHCCCS) and to its employees through the Arizona Department of Administration (ADOA). The fiscal impact would depend on whether AHCCCS and ADOA chose to provide coverage for any investigational drug, biological product or device. As this coverage is optional, the impact cannot be determined in advance.

Proposition 304 -- Commission on Salaries for Elective State Officers Legislative Salary Proposal

Based on a recommendation from the Commission on Salaries for Elective State Officers, Proposition 304 would raise the annual salaries of the 90 legislators, including 60 Representatives and 30 Senators, from \$24,000 to \$35,000, effective January 1, 2015. The annual fiscal impact is projected to be \$1,318,400, including the employer share of salary-based employee benefits.