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**IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA
IN AND FOR THE COUNTY OF MARICOPA**

ARIZONA FREE ENTERPRISE CLUB, *et al.*,

Plaintiffs,

v.

KATIE HOBBS, in her capacity as the
Secretary of State of Arizona,

Defendant,

and

INVEST IN ARIZONA (SPONSORED BY
AEA AND STAND FOR CHILDREN),

Real Party in Interest.

No. CV2021-011491

**PLAINTIFFS' MOTION FOR
PRELIMINARY INJUNCTION**

(Expedited Hearing Requested)

(Assigned to the Hon. Katherine Cooper)

Pursuant to A.R.S. §§ 19-122(C), 12-1801, and Arizona Rule of Civil Procedure 65, Plaintiffs respectfully request the entry of a preliminary injunction prohibiting the Secretary of State from accepting for filing any petition in support of referendum numbers R-03-2021, R-04-2021, and R-06-2021 (hereafter, the "Proposed Referenda"), or from certifying any of

1 these referendum measures for placement on the November 8, 2022 general election ballot.
2 As set forth below, the statutes that the Proposed Referenda seek to refer are “for the support
3 and maintenance” of the state government, and thus are immune from the referendum. *See*
4 ARIZ. CONST. art. IV, pt. 1, § 1(3). Preliminary relief is necessary to enforce the strictures
5 governing the right of referendum; vindicate the constitutionally ordained equilibrium
6 between the sovereign Legislature and a countermajoritarian effort to suspend duly enacted
7 laws; and permit the timely implementation of economically vital tax relief approved by the
8 people’s elected representatives.

9 **FACTUAL BACKGROUND**

10 In the days before its adjournment, the First Regular Session of the Fifty-Fourth
11 Arizona Legislature passed, and Governor Ducey signed, three tax reform measures. Senate
12 Bill 1828, the omnibus appropriations bill for fiscal year 2022, includes a provision that
13 would trigger a “flat” income tax rate of 2.5%, if state General Fund revenues reach certain
14 specified targets. *See* 2021 Ariz. Laws ch. 412, §§ 13, 15; Verified Compl. Ex. A. Section
15 4 of Senate Bill 1827 prescribes a maximum overall effective marginal tax rate of 4.5% on
16 individual income. *See* 2021 Ariz. Laws ch. 411, § 4; Verified Compl. Ex. C. Senate Bill
17 1783 allows certain Arizona small business owners to choose to pay a new alternative tax
18 on income received from their business. Eligible electing taxpayers then may deduct small
19 business taxable income from their personal gross income for purposes of computing their
20 personal income tax liability. *See* 2021 Ariz. Laws ch. 436; Verified Compl. Ex. E.

21 Invest in Arizona (Sponsored by AEA and Stand for Children) (the “Committee”)
22 applied for and received from the Secretary of State serial numbers for referenda on all three
23 measures. *See* Verified Compl. ¶¶ 13–14, 16–17, 19–20; Ex. B, D, F. Petition circulators
24 acting on behalf of the Committee currently are in the field and amassing signatures. The
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1 Committee intends to file petitions in support of the Proposed Referenda by late September.
2 *See id.* ¶¶ 21–22.

3 **ARGUMENT**

4 In considering a motion for preliminary relief, this Court evaluates (1) the likelihood
5 that the movant will succeed at trial on the merits, (2) the possibility of irreparable injury to
6 the movant not remediable by damages if the requested relief is not granted, (3) whether the
7 balance of hardships favors the movant, and (4) whether public policy favors an injunction.
8 *See generally Smith v. Ariz. Citizens Clean Elections Comm’n*, 212 Ariz. 407, 410–411, ¶
9 10 (2006); *Apache Produce Imports, LLC v. Malena Produce, Inc.*, 247 Ariz. 160, 164, ¶
10 10 (App. 2019); *Shoen v. Shoen*, 167 Ariz. 58, 63 (App. 1990).

11 Importantly, the moving party need not establish all four elements. Rather, the
12 factors are considered on a sliding scale, and a movant is entitled to injunctive relief if it
13 establishes “*either* (a) probable success on the merits and the possibility of irreparable
14 injury; *or* (b) the presence of serious questions and ‘the balance of hardships tip sharply’ in
15 his favor.” *Shoen*, 167 Ariz. at 63 (emphasis added); *Smith*, 212 Ariz. at 410–411. All four
16 considerations—whether evaluated individually or in any given permutation—impel the
17 issuance of preliminary relief.

18 **I. Plaintiffs Will Succeed on the Merits Because the Proposed Referenda Seek to**
19 **Refer Measures That Are “For the Support and Maintenance” of State**
20 **Government, and Hence Are Unconstitutional and *Ultra Vires* Exercises of the**
21 **Referendum Power**

22 **A. Claims That a Proposed Measure Is Outside the Scope of the Referendum**
23 **Power are Ripe and Justiciable Prior to the Filing of Any Petition**

24 Arizona law authorizes “[a]ny person” to contest not just the legal sufficiency of a
25 ballot measure petition, but also the “validity of an initiative or referendum” itself. A.R.S.
26 § 19-122(C). Preliminarily, it bears noting that the Plaintiffs claims are ripe and amenable
27 to judicial resolution prior to the November 2022 general election—and even prior to the
28 filing of any petitions in support of the Proposed Referenda. Embedded in the governing
case law is an abiding distinction between challenges to the constitutionality of a ballot

1 measure’s substantive terms (which are not justiciable unless and until the measure is
2 actually enacted) and claims arising out of fatal facial deficiencies in a ballot measure or
3 supporting petition; the latter are actionable—and indeed *must* be raised—as early as
4 possible.

5 This dichotomy derives from structural attributes of the separation of powers. When
6 a proposal is presented to a legislative body (whether the elected Legislature or the
7 electorate acting in a plebiscite), courts must refrain from preemptively determining the
8 measure’s constitutional validity or its practical application to particular litigants. Such
9 questions must await post-election proceedings controverted by parties with the requisite
10 stake in the outcome. *See, e.g., Winkle v. City of Tucson*, 190 Ariz. 413, 415 (1997) (“Voter
11 initiatives, part and parcel of the legislative process, receive the same judicial deference as
12 proposals before the state legislature—courts are powerless to determine their substantive
13 validity unless and until they are adopted.”); *Wilhelm v. Brewer*, 219 Ariz. 45, 48, ¶ 12 n.1
14 (2008) (“We do not address what [proposed initiative] would mean if the measure is
15 approved by the voters and becomes law.”); *State v. Osborn*, 16 Ariz. 247, 251 (1914)
16 (holding that plaintiff was “precluded in this proceeding from questioning the
17 constitutionality of such proposed law” until it became enacted).

18 Carrying a far different complexion, though, are cases such as this one, which pivot
19 on whether a proposed ballot measure is embraced by the constitutional right of initiative
20 or referendum *at all*. In other words, the constitutional integrity of a putative ballot
21 measure’s substantive terms is irrelevant if the measure is of a kind that cannot be presented
22 to the electorate in the first place. Recognizing this conceptually subtle but vital distinction,
23 Arizona courts have repeatedly acted to interdict from the ballot proposals that did not
24 constitute referable legislative acts. *See Transamerica Title Ins. Co. Trust Nos. 8295, 8297,*
25 *8298, 8299, 8300 & 8301 v. City of Tucson*, 157 Ariz. 346, 348 (1988) (finding challenge
26 to proposed initiative to be ripe after serial number had been issued but before any petition
27 had been offered for filing); *Garvey v. Trew*, 64 Ariz. 342, 345 (1936) (holding that
28 Secretary of State acted properly when he “declined to accept the petitions” proffered in

1 support of a non-referrable legislative appropriation); *Fritz v. City of Kingman*, 191 Ariz.
 2 432 (1998) (adjudicating prior to the election whether municipal rezoning ordinance could
 3 be the subject of a referendum); *Respect the Promise in Opposition to R-14-02—Neighbors*
 4 *for A Better Glendale*, 238 Ariz. 296, 303-04, ¶¶ 29-30 (App. 2015) (finding that filing
 5 officer acted properly in refusing to accept petition in support of non-referrable enactment);
 6 *Stop Exploiting Taxpayers v. Jones*, 211 Ariz. 576, 578, ¶ 3 (App. 2005) (city clerk refused
 7 to verify and certify petition filed in support of ordinances that court concluded were not
 8 referable); *Robertson v. Graziano*, 189 Ariz. 350, 353 (App. 1997) (noting that, “in some
 9 instances, our courts have determined in advance of an election that the subject matter is not
 10 one on which a city or its voters may legislate”).

11 These cases can be distilled to the proposition that the electorate may adopt an
 12 improvident or even constitutionally suspect law when acting within the scope of the
 13 initiative and referendum power secured by Article IV, Part 1 of the Constitution. When,
 14 however, an ostensible ballot measure presents a matter that is, by its facial terms, not an
 15 initiabile or referable legislative act, then it is intrinsically a legal nullity. In such
 16 circumstances, the judiciary may—and, in fact, must—foreclose the filing and certification
 17 of the functional equivalent of a mere “public opinion poll.” *Saggio v. Connelly*, 147 Ariz.
 18 240, 241 (1985).

19 In short, because the gravamen of this lawsuit is that the Proposed Referenda are
 20 *ultra vires* acts, the Plaintiffs’ claims are now justiciable. The Committee’s aspirations to
 21 refer S.B. 1828, S.B. 1827 and S.B. 1783 have been reified into formal petition drives; the
 22 Secretary of State has assigned serial numbers to each one, petition circulators are in the
 23 field, and it is presumably undisputed that the Committee will exert its best efforts to collect
 24 and file the requisite number of signatures by the end of September. If Plaintiffs are correct
 25 on the merits, then the Secretary must be enjoined from accepting for filing any petition in
 26 support of the Proposed Referenda. *See Garvey*, 64 Ariz. at 345 (petition to refer a non-
 27 referable law should not be accepted for filing); *Respect the Promise*, 238 Ariz. at 99, ¶ 30
 28 (recounting “well-established case law upholding the rejection of petitions [offered for

1 filing] for referenda challenging non-legislative acts”). Given that constellation of
 2 circumstances, this case is ripe for immediate judicial resolution. *See Transamerica Title*
 3 *Ins. Co.*, 157 Ariz. at 348 (rejecting argument that challenge to proposed initiative was not
 4 ripe prior to the filing of the petition).

5 **B. Statutes That Impose and Prescribe Taxes and Tax Rates Are “For the**
 6 **Support and Maintenance” of Government and Hence Not Referrable**

7 While certainly solicitous of the right of referendum, the framers of the Arizona
 8 Constitution were acutely aware of its antimajoritarian and disruptive potentialities. To that
 9 end, they tempered Article IV, Part 1’s robust referral mechanism with a categorical
 10 exemption of enactments that raise or spend revenues—the metaphorical beating heart of
 11 the state government organism. While voters may veto substantive statutes that structure
 12 the framework within which spending decisions are made, disagreements with the
 13 Legislature’s chosen mechanisms of raising and appropriating revenues must be mediated
 14 through political channels or remedied by an initiative.¹

15 This equilibrium finds its expression in Section 1(3) of Article IV, Part 1, which
 16 states, in relevant part:

17 Under this [referendum] power the legislature, or five per centum of the
 18 qualified electors, may order the submission to the people at the polls of any
 19 measure, or item, section, or part of any measure, enacted by the legislature,
 20 *except laws* immediately necessary for the preservation of the public peace,
 21 health, or safety, or *for the support and maintenance of the departments of*
 22 *the state government and state institutions*; but to allow opportunity for
 23 referendum petitions, no act passed by the legislature shall be operative for
 24 ninety days after the close of the session of the legislature enacting such
 25 measure, except such as require earlier operation to preserve the public
 26 peace, health, or safety, or to provide appropriations for the support and

25 ¹ For purposes of this lawsuit, Plaintiffs accept that voters may impose, repeal, raise,
 26 or cut taxes through an initiated law or constitutional amendment, as they have done in the
 27 past. In addition, the Plaintiffs’ claims do not implicate the Legislature’s constitutional
 28 ability to *sua sponte* refer its own bills to the electorate, which is not encumbered by the
 same limitations that attached to voter-initiated referenda. *See* ARIZ. CONST. art. IV pt. 1,
 § 1(15) (“Nothing in this section shall be construed to deprive or limit the legislature of the
 right to order the submission to the people at the polls of any measure, item, section, or part
 of any measure.”).

1 maintenance of the departments of the state and of state institutions
2 [emphasis added]

3 Tax laws are “for the support and maintenance” of state government. *See Wade v.*
4 *Greenlee County*, 173 Ariz. 462 (App. 1992). Affirming the trial court’s conclusion that a
5 county measure enacting a new sales tax was not eligible for referral, the Court of Appeals
6 explained that the “support and maintenance” exemption is not confined only to
7 appropriations, but extends equally to “both the acquisition and allocation of funds.” *Id.* at
8 463. Like the tax ordinance in *Wade*, each of the statutes underlying the Proposed
9 Referenda prescribes a tax and a tax rate. Importantly, the revenue-raising attributes of the
10 Proposed Referenda are not merely “incidental,” *see Garvey*, 64 Ariz. at 355 (indicating
11 that the referendum may be used when an appropriation is only “incidental” to the measure).
12 The enactments at issue are, in their character and effect, revenue laws; they operate directly
13 and solely to generate funds “for the support and maintenance” of the state government. It
14 follows that they cannot be the subject of voter-initiated referenda. *See also* Ariz. Op. Atty.
15 Gen. No. I97-007 (July 17, 1997) (suggesting that if statute at issue were “a tax measure,”
16 it could have been “excluded from referendum on that basis”).

17 **C. The Non-Referability of a Tax Law Is Not Contingent Upon Whether It**
18 **Is Predicted to Prospectively Increase or Decrease Net Revenues Relative**
19 **to Some Existing Baseline**

20 The Committee presumably will attempt to evade the controlling force of *Wade* by
21 arguing that the *Wade* ordinance increased taxes, while the Proposed Referenda provide tax
22 relief and thus, *ceteris paribus*, will cause tax receipts to fall. This distorted conception of
23 the “support and maintenance” exemption, however, is textually unsupported, historically
24 unsound, and conceptually dubious.

25 **1. There Is No Textual Distinction Between Tax Increases and Tax**
26 **Reform**

27 The lodestar of all constitutional questions is the text adopted by the framers and
28 approved by the electorate. *See generally Jett v. City of Tucson*, 180 Ariz. 115, 119 (1994)

1 (“When interpreting the scope and meaning of a constitutional provision, we are guided by
 2 fundamental principles of constitutional construction If the language is clear and
 3 unambiguous, we generally must follow the text of the provision as written.”). The
 4 Constitution does not except from the referendum only those laws that “increase” the
 5 “support and maintenance” of state government relative to some external temporal baseline,
 6 such as the immediately preceding fiscal year. Rather, the framers’ choice of the pliable
 7 preposition “for” is a semantic signal of the exemption’s expansive reach. Any law that
 8 prescribes or imposes a tax or tax rate is innately “for” the financing of state government.
 9 Even if the statute has the extrinsic effect of reducing overall tax receipts year-to-year, it
 10 still generates revenues that are “for” the “support and maintenance” of the state budget.

11 In short, any construction of the “support and maintenance” clause that exempts only
 12 tax hikes from the referendum can be sustained only by importing linguistic limitations that
 13 are absent from the Constitution’s plain text. *See generally Phelps v. Firebird Raceway,*
 14 *Inc.*, 210 Ariz. 403, 405, ¶ 10 (2005) (“When a constitutional provision is unambiguous, it
 15 ‘is to be given its plain meaning and effect.’ ‘Nothing is more firmly settled than under
 16 ordinary circumstances, where there is involved no ambiguity or absurdity, a statutory or
 17 constitutional provision requires no interpretation.” (citations omitted)).

18 **2. The Framers Understood the “Support and Maintenance” Clause as**
 19 **Exempting Tax Law Reforms**

20 The historical record confirms what the constitutional text independently ordains: all
 21 variants of revenue-raising laws are immune from the referendum. *See generally State v.*
 22 *Mixton*, 250 Ariz. 282, ¶ 28 (2021) (“Our primary purpose when interpreting the
 23 Arizona Constitution is to ‘effectuate the intent of those who framed the provision.’
 24 We may examine its history, if necessary, to determine the framers’ intent.” (internal
 25 citations omitted)).

26 As the *Wade* court noted briefly, *see* 173 Ariz. at 464, the original incarnation of
 27 Article IV, Part 1 excluded from the referendum only “appropriations for the support and
 28 maintenance of the Departments of State and State institutions,” along with emergency

1 measures. John S. Goff ed., THE RECORDS OF THE ARIZONA CONSTITUTIONAL
 2 CONVENTION OF 1910 (1991) at 1020 (reprinting “Proposition 4”). This proposal, however,
 3 was eventually displaced by a substitute endorsed by the Committee on Legislative
 4 Department, Distribution of Powers and Apportionment, which augmented the clause to
 5 include laws “for . . . the departments of the State Government and State institutions,” *id.* at
 6 1025-26, which in turn evolved into the text ultimately adopted by the Convention.²

7 While not dispositive, the sentiments of the inaugural Legislature and its immediate
 8 successors can illuminate the contemporaneous public understanding of constitutional
 9 provisions. *See Brewer v. Burns*, 222 Ariz. 234, 241, ¶ 33 (2009) (citing rules of the First
 10 Legislature, noting that “[l]ong-established practices, accepted by other branches of
 11 government, may be relevant in construing constitutional provisions”). In convoking the
 12 First Legislature, Governor George P. Hunt enumerated the items within its remit, which
 13 included “[p]roviding sources of revenue for the support and maintenance of state
 14 institutions and departments of state”—fortifying the textual inference that the “support and
 15 maintenance” clause of Article IV, Part 1, Section 1(3) encompasses revenue laws. *See*
 16 *Duncan Arizonian*, May 29, 1912 (reprinting proclamation).

17 While the First Legislature deployed a “support and maintenance” proviso in certain
 18 enactments prescribing new taxes, it seemingly understood the phrase in a capacious and
 19 malleable sense that enveloped laws designed to reform and make more efficient the
 20 existing tax code. For example, among the body’s first acts was to repeal a mining tax
 21 imposed in 1907 by the Territorial Legislature, in favor of a new property tax regime, which
 22 the Legislature declared would “provide funds for appropriations for the support and
 23 maintenance of the departments of State and all State institutions.” 1912 Ariz. Laws ch. 11,
 24 § 2. Another statute invoking the “support and maintenance” disclaimer levied a new tax
 25

26 ² To be sure, the second appearance of the phrase “support and maintenance” in Article
 27 IV, Part 1, Section 1(3) is modified by the term “appropriations.” The *Wade* court
 28 acknowledged this “inconsisten[cy],” but ratified the more expansive construction connoted
 by the first clause, *see* 173 Ariz. at 463, presumably recognizing that the discrepancy was
 likely a vestigial artifact of the text’s metamorphosis during the Convention.

1 on private car companies. Notably, however, the Legislature explained the rationale not in
 2 terms of aggregate revenue increases; rather, it deemed the amendment necessary “for a
 3 more equal and uniform system of assessment and apportionment of taxes, and for the
 4 efficient collection of State taxes and revenue.” 1912 Ariz. Laws ch. 39, § 8. In other
 5 words, a law that directly reforms, streamlines or recalibrates tax assessments or rates is
 6 necessarily “for” the “support and maintenance” of state government, and hence is not
 7 referable—irrespective of whether it does or does not increase overall tax receipts in the
 8 immediately succeeding fiscal year.

9 Tellingly, two states whose constitutions were forebearers of Arizona’s organic law
 10 likewise have rejected any reliance on judicial suppositions concerning the ostensible
 11 effects of a tax law on future revenues when determining its referability. The Supreme
 12 Court of Washington ratified a flexible conception of the cognate provision in its own
 13 constitution, holding that it inoculated from a referendum a statute that extended an existing
 14 assessment but incrementally decreased the tax rate, spurning “the[] speculative argument
 15 that incremental reductions in the tax rate will reduce revenues.” *Andrews v. Munro*, 689
 16 P.2d 399, 401 (Wash. 1984); *see also Kotterman v. Killian*, 193 Ariz. 273, 305, ¶ 128 (1999)
 17 (“Washington cases interpreting their constitution are persuasive authority with respect to
 18 our constitution”). The South Dakota Supreme Court likewise declined to displace
 19 legislative judgments with its own fiscal forecasts, holding that a statute that offset an
 20 increase of one tax with a decrease in another was non-referable. As the court observed, in
 21 reasoning that engrafts well onto this case, “[t]hough an act may not be intended to produce
 22 additional revenues, facts and circumstances nevertheless may render the enactment of such
 23 a revenue measure necessary for the support of state government.” *State ex rel. Botkin v.*
 24 *Morrison*, 249 N.W. 563, 564 (S.D. 1933); *see also Arizona Together v. Brewer*, 214 Ariz.
 25 118, 125-26, ¶ 26 (2007) (citing the influence of the South Dakota constitution on certain
 26 facets of Arizona’s ballot measure process).

27 In sum, the term “for the support and maintenance” denotes all statutes (or particular
 28 provisions of statutes) that prescribe a tax—which, by definition, generates revenue; the

1 actual or prophesized effect of the tax on future net revenues relative to some selected
2 baseline is not a constitutionally germane or judicially cognizable consideration.

3 **3. *Limiting the “Support and Maintenance” Clause to Only Putative***
4 ***Net Revenue Increases Is Unprincipled and Impractical***

5 To posit that the “support and maintenance” clause protects from the referendum
6 only statutes that ostensibly increase year-over-year net revenues is to transpose onto the
7 constitutional text normative considerations and economic prognostications that lie beyond
8 the judicial purview. For example, it is undisputed that the relevant provisions of Senate
9 Bill 1828 and Senate Bill 1827 would reduce Arizona’s highest effective marginal tax rates
10 relative to 2021 levels. The Committee presumably will contend that these enactments will
11 decrease state revenues, and hence may be referred. Putting aside the textual and historical
12 defects that pervade this interpretive theory of the “support and maintenance” clause, the
13 argument clings to a factually dubious premise—namely, that tax rates bear a perfect
14 positive correlation with aggregate net revenues. In reality, the association between taxes
15 and revenues is complex and influenced by an array of confounding variables, including
16 population trends, macroeconomic conditions, and tax rates in neighboring states.

17 Further, the effects of tax reform legislation on resulting revenues can depend in part
18 on the time horizon assessed. Tax cuts may induce a short-term diminution of revenues that
19 is more than offset over the long term by their stimulative effect. (Conversely, punitive tax
20 hikes can dissipate revenue streams by disincentivizing productive work.³) In assessing the
21 relationship between Senate Bills 1827 and 1828 and revenues, does the Committee expect
22 the Court to surmise their ostensible effects on overall tax receipts over a one-year time
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25 ³ Presumably even the Committee would concede that, at some point, tax rates become
26 so onerous that they deter the economic activity necessary to generate tax revenues. Any
27 conception of the “support and maintenance” clause that pivots on whether a tax statute will
28 “increase” or “decrease” net revenues effectively tasks the Court with computing the
optimal tax rate that maximizes revenues without depressing economic activity—a question
that has long bedeviled even seasoned economists.

1 frame, a five-year time frame, or some other temporal rubric? And what, exactly, in the
2 constitutional text impels that choice?

3 Senate Bill 1783 engrafts an additional complication. That legislation contemplates
4 a *new*, optional tax on certain small business income. On its face, Senate Bill 1783
5 presumptively will increase tax receipts by creating a new potential revenue stream. Any
6 argument that it will, on net, reduce revenues must rely on conjectural suppositions of how
7 many eligible taxpayers will elect to pay the alternative tax, and how this new assessment
8 will affect their overall year-to-year tax liabilities relative to a hypothetical world in which
9 Senate Bill 1783 were never enacted. In the same vein, the Committee’s “revenue-
10 increasing versus revenue-decreasing” theory invites the courts to disentangle the interplay
11 between different provisions of a single tax infrastructure. For example, suppose the
12 Legislature enacts a statute that offsets a reduction of income tax rates with a corresponding
13 increase in the transaction privilege tax, with the objective of maintaining aggregate
14 revenues roughly at their current level. Under the Committee’s approach, what would be
15 referable? The income tax cut only? Both provisions? Neither provision?

16 At bottom, the Committee’s “revenue-increasing versus revenue-decreasing”
17 dichotomy would require courts to forecast how tax reform legislation may or may not
18 intersect with extrinsic economic and behavioral factors to impact net tax receipts over some
19 unspecified period of time. This endeavor, in turn, inevitably intersects with competing
20 polemical theories postulating various relationships between the object of a tax (*e.g.*, income
21 versus consumption), tax rates, and resulting government revenues. Such ruminations may
22 be well-suited to the faculty lounge of a university’s economics department, but they are
23 not a judicial competency. *See Andrews*, 689 P.2d at 401 (“We do not speculate whether
24 the lowering of the tax rate from 6.5 percent to 5 percent between 1984 and 1988 would
25 lessen or increase the support of state government. Such a venture on the part of this court
26 is both inappropriate and irrelevant.”).

27 The Court need not and should not immerse itself in such quicksand. A return to the
28 basic constitutional text conduces a linear and straightforward inquiry instead. A statutory

1 provision cannot be referred by the voters if it is “for the support and maintenance” of the
 2 state government. *See* ARIZ. CONST. art. IV, pt. 1, § 1(3). The relevant portions of Senate
 3 Bills 1827, 1828 and 1783 inarguably will produce revenues because they prescribe taxes.
 4 These revenues, in turn, will be used “for the support and maintenance” of Arizona
 5 government. The statutes hence are not referrable.

6 **II. Plaintiffs and the Arizona Electorate Will be Injured by the Filing and**
 7 **Processing of Invalid Referendum Petitions**

8 The hazards of indulging a facially *ultra vires* exercise of the referendum power is
 9 not merely theoretical. This “extraordinary” prerogative “permits a minority to hold up the
 10 effective date of legislation which may well represent the wishes of the majority.” *W.*
 11 *Devcor, Inc. v. City of Scottsdale*, 168 Ariz. 426, 429 (1991) (quoting *Direct Sellers Ass’n*
 12 *v. McBrayer*, 109 Ariz. 3 (1972)). Permitting intrinsically defective referenda efforts to
 13 indefinitely suspend valid, tax relief measures approved by elected representatives
 14 derogates a core constitutional limitation on the ballot measure process, inflicting a harm
 15 that is not redressable by monetary damages.

16 **III. The Balance of Equities and Public Policy Imperatives Support the Issuance of**
 17 **Injunctive Relief**

18 As noted above, the judicial toleration of impermissible referenda efforts “allow[s]
 19 a small percentage of the electorate, in Arizona 5%, effectively to prevent the operation of
 20 government.” *Wade*, 173 Ariz. at 463. An injunction against the acceptance for filing of
 21 petitions in support of the Proposed Referenda, conversely, would exact no articulable
 22 burden on either the Secretary or the Committee. The former actually would be *relieved* of
 23 her statutory duty to expend time and taxpayer resources on the processing and verification
 24 of thousands of petition sheets and signatures. *Cf. Transamerica Title Ins. Co.*, 157 Ariz.
 25 at 348 (citing “interests of judicial economy and conservation of public resources” in
 26 deeming ripe a challenge to a proposed initiative prior to the filing of the supporting
 27 petition); *Respect the Promise*, 238 Ariz. at 100, ¶ 30 (reasoning that pre-election judicial
 28

1 review averted “the illogical result of requiring municipalities to incur the expense of
2 conducting referendum elections on non-legislative measures”).

3 Similarly, a preliminary injunction against the Secretary has no immediate legal
4 effect on the Committee, which can continue to circulate petitions and collect signatures
5 without limitation. If the Committee ultimately prevails on the merits, then it may proceed
6 to file the signatures it has amassed. Conversely, if the Court agrees with Plaintiffs that the
7 Proposed Referenda are constitutionally unviable, then an injunction will have ensured the
8 timely implementation of Senate Bills 1828, 1827 and 1783 and prevented a subversion of
9 the referendum process. *See generally Molera v. Reagan*, 245 Ariz. 291, 294, ¶ 11 (2018)
10 (“[A]lthough our decisions safeguard the voters’ legislative power, this Court in many cases
11 has invalidated citizen initiatives and referenda that did not comply with applicable
12 requirements.”); *Arizona Pub. Integrity All. v. Fontes*, 250 Ariz. 58, ¶ 27 (2020) (holding
13 that “public policy and the public interest are served by enjoining” actions inconsistent with
14 election laws).

15 **IV. Request for Consolidation with Trial on the Merits**

16 Given that Plaintiffs’ claims present pure questions of constitutional construction and
17 are anticipated to entail few, if any, material factual disputes, Plaintiffs request that any
18 hearing on this Motion be consolidated with a trial on the merits, pursuant to Arizona Rule
19 of Civil Procedure 65(a)(2).
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