

ARGUMENTS FILED AGAINST PROPOSITION 123

Vote 'no' on Proposition 123. Arizona's public education system is underfunded. In 2013, we were fiftieth in per-pupil state spending because we spent half the national average on our students. Proposition 123 will ensure that it stays underfunded for at least a generation in two ways:

#1. Proposition 123 will cap future education spending by letting the legislature ignore the will of the voters. In 2000, Arizona voters approved Proposition 301. Prop 301 requires the state to increase K-12 funding each year to keep up with inflation. The Legislature is trying to get out of that requirement. Proposition 123 will allow the legislature to void the increases if K-12 spending becomes 49% of the state general fund budget; K-12 education made up 42% of the 2015 budget. It will not be long before we reach the cap.

#2. Proposition 123 will damage the future of the state land trust. Trust funds are meant to provide revenue indefinitely by spending only a portion of the interest from investments. The Legislature wants to get extra money now by spending the principal. State Treasurer Jeff DeWit told legislators that this was bad fiscal policy in two ways: Prop 123 would mean a \$987 million cut in K-12 funding by 2022, when today's kindergarteners will be in middle school; and, Prop 123 would cut revenue from the land trust by more than \$8 billion dollars over 40 years. By spending the principal from the state land trust, the Legislature gets money now, but makes future Arizona students pay the consequences.

Please vote 'no' on Proposition 123. To learn more, visit noprop123.com.

Andrew Scott Gardner

Proposition 123 is a bad deal for so many reasons but I want to highlight the reason this is an irresponsible financial move and a tax on the future.

Currently, the Arizona State Land Department manages approximately 9.2 million acres of state trust land, which was granted by the federal government at the time of statehood. Certain revenues from state lands, such as the proceeds from the sale of land are deposited into the "permanent fund". The fund is then invested and the investment returns are distributed to K-12 schools along with other beneficiaries.

To protect the permanent fund principal from the effects of inflation, the 2.5% Proposition 118 distribution rate was set. Monies earned above the 2.5% distribution were designed to be retained by the fund, to ensure that the principal would not decline given inflation. JLBC, an independent government organization that is responsible for making recommendations to the Legislature regarding all facets of the state budget, has projected a 6.33% investment rate of return from the fund for future years. The average inflation rate in the United States for one year is 3.22%. At a 6.33% investment rate of return and a 3.22% inflation rate the real rate of return would be 3.11%

Proposition 123 would increase the current distribution formula from 2.5 percent to 6.9 percent. With the projections from JLBC, this means that the principal of the fund would decrease by 3.79% every year. Because of this change in the year 2026, school funding from the fund would shrink from \$177 million if we continue at our current 2.5 percent distribution rate, to \$100 million if the distribution rate changes to 6.9%.

We are stealing money from our future by passing proposition 123. This is a tax on the future.

Morgan Abraham

VOTE NO – This settlement robs Peter to pay Paul and is a mockery of conservative values. It robs from a Trust set up by the Founders of Arizona to provide long term income for schools which has worked for over 100 years. This Republican Leadership has not fulfilled its constitutional duty to fund education through the General Fund. Now, they want to cover their tracks by ramming this bad deal through the Legislature after years of denying funding to Arizona Schools and losing their lawsuit against the Schools. They dare to call this sham fair by holding out empty promises of future funding!

This Republican Leadership that year after year has voted for BILLIONS in tax cuts for their Special Interests!!! They have lied about the settlement not raising taxes. It will raise them in the best school districts, and over the long term make a fiscal cliff that will need higher taxes!! This artificial crisis is created by this Republican Leadership, and their “solution” is a sham to cut taxes now to buy your vote. Their own Republican State Treasurer testified it would drop the principal of the Trust by \$3 billion over 10 years!

THE TRUST WAS SET UP AS PERPETUAL BY OUR FOUNDING FATHERS, AND THIS SETTLEMENT VIOLATES THE ARIZONA CONSTITUTION,

Article 10, Sections 1 & 2. “Disposition of any of said lands, or of any money or thing of value directly or indirectly derived therefrom, for any object other than that for which such particular lands (or the lands from which such money or thing of value shall have been derived) were granted or confirmed, or in any manner contrary to the provisions of the said Enabling Act, shall be **deemed a breach of trust.**”

THEY HAVE BREACHED OUR TRUST – VOTE NO!!

Allen Malanowski

Once upon a time, very wise, courageous, hardworking, dedicated, forward-thinking men and women came to the Arizona territory and forged a state with the most advanced, democratic, and forward-thinking constitution of all the United States. They worked tirelessly to incorporate advanced and well reasoned principles they gleaned from the most brilliant and dedicated thinkers and doers of the day. In their wisdom, they requested that the surplus federal lands acquired with statehood be forever entrusted to the furtherance of education for the future

citizens of this great state. In our times, true Statesmen like Mo Udall and Barry Goldwater carried forth their ambitions for Arizona.

The current cluster of anti-intellectual goons and clowns, inexplicably elected to our formerly respectable legislature, has taken every opportunity available to them to destroy and hinder our schools. I think they were probably poor and unhappy students in school and didn't learn much of value since, except how to accept campaign contributions from radical right-wing lobbyists, and who in their hearts probably believe in evolution but wish to withhold that established fact from their constituents. Hence their pea-brained determination to leave no stone unturned in their ceaseless efforts to destroy our precious public schools and shift the money to religious schools (madrasas, they're called in the Muslim world). WAKE UP. These hacks DON'T CARE that they are draining the vitality from Arizonans' futures. They "got theirs" and the citizens can go to Hell. Don't let them confuse you. They want you to be uneducated and easy to fool. Your children, too. Don't let them steal money from future generations of Arizonans. They are the lowest form of dishonest, intellectually crooked political scum. Stop them.

Richard (Rick) Howell

Proposition 123 is a lousy deal for Arizona's schoolkids!

In 2000 the voters mandated that education funding would be protected from the whims of the Legislature by passing a guaranteed inflation adjustment. Notwithstanding the law, in 2010 the Legislature arrogantly refused to comply with the Arizona Constitution and pay the schools the money that the Arizona law mandated. At the same time the Legislature easily managed to cut taxes.

The schools sued and won! The courts ordered the Legislature to immediately pay 331 million dollars. The Legislature, if it chose, could pay that amount now directly from the rainy day fund.

In fact, in the last five years our children have been deprived of at least 1.2 billion dollars of educational resources. Our children desperately need that investment as shown by the disastrous results of the 2015 AZMERIT test where barely one-third were proficient in English and math!

Instead, the Governor and some legislators devised a gimmick to raid the Permanent Land Trust. This scheme is a ruse so that the Governor can claim that he spent more money on education without raising taxes when he runs for re-election or for President! Proposition 123 increases the withdrawals for ten years, stealing money from Arizona's schoolkids of the future! After ten years nobody really knows how much money will be left in the Permanent Land Trust to fund the education of our children.

By voting NO on Proposition 123 you will tell our Legislature to do its duty, to adequately provide the resources needed for the education of our children. The money is actually there; what is missing is the political will to comply with the law!

For more information please go to Dave Braun, candidate for the Arizona House of Representatives, District 27; BraunForArizona.com.

Dave Braun

Sponsored by "Braun for Arizona"

Proposition 123: Deceptive as can be

Prop. 123 is deceptive and irresponsible. It hurts rather than helps education funding overall. It throws some "crumbs" to our starving K-12 education system now, but doesn't pay what is truly owed to that system based on a prior vote of the people. Even worse, to get those crumbs, Prop. 123 places into Arizona's Constitution a cap on educational spending and certain "triggers" which make education the only state service that is subject to mandatory cuts in economic downturns.

Supporters of Prop. 123 say they are not touching the principal of the state land trust fund. True but misleading because Prop. 123 jeopardizes the principal of that fund. It increases the payouts from that fund to the point that the principal of the fund won't be able to grow enough to outstrip the average rate of inflation.

Prop. 123 is deceptive (and cynical) because it offers the false promise that we don't have to support Arizona's educational system like our parents and their parents did in the past. Since the 1990's Arizona's leaders have engaged in reckless tax cuts that have left our state with a structurally unbalanced budget. Prop. 123 doesn't fix that problem. It makes it worse by undermining the state land trust fund, so that future Arizonans will have to pay the higher taxes to make up for the smaller future land trust fund pay-outs.

Arizonans, including myself, have benefited from past public support for education. It is our responsibility to make sure that we adequately fund K-12 education now. Prop. 123 is deceptive as can be because it offers us a false promise that it will solve our state's education funding problems. It won't. It will only make them worse.

Brian Clymer

We are promised that Proposition 123 will provide money for our schools without raising taxes. While that may be technically true, the funds are provided at the expense of the School Lands Trust. The principal of the Trust will be invaded over ten years in the amount of \$2.2 billion. There is no way to replace those dollars except through TAXES.

We are promised that the Trust Fund will continue to grow. However, the only way to replace that \$2.2 billion is by imposing additional taxes. In addition we are not being told that unless replaced, the schools will forever lose the income that would have been produced by that \$2.2 billion.

In addition, once the Constitution is amended to allow the invasion of the principal of the Trust, it will set a precedent for future invasions of the principal at the whim of either the Governor or the Legislature.

It should also be pointed out that under the state ENABLING ACT, this Trust was created by the U.S. Congress and only the U.S. Congress can legally change it terms with the consent of the Trustee and the Trust Beneficiaries. Because this is a Perpetuity Trust, most of the beneficiaries of the Trust have not yet been born.

Simply put, the Governor, Legislature, school districts or the voters have no authority by passing Proposition 123 to change the provisions of the Trust. The ENABLING ACT provides that the Trust Lands and the proceeds from the sale of those lands are to be held inviolate forever for the benefit of present and future school children.

Further, there are other funds available with which this judgment can be satisfied. Do not be misled, get the facts before you vote for this Proposition

Vote NO on Proposition 123

Archie Dickson

Educational Funding for Arizona Students

The Arizona Permanent Land Endowment Trust Fund was established in the Arizona Constitution under Article 10, Section 7, which outlines the requirements for the investment and distribution of Endowment Funds. The overall time line for the State Land Fund, which is Arizona's students' "Birthright" and was meant to continue in perpetuity, not be robbed by our current governor.

The Arizona Constitution requires the Arizona Treasurer to deposit and track the proceeds of land sales in the endowment fund according to the grant under which the land was conveyed to the State. The Arizona Land Fund has invested cautiously in the past with different combinations of assets (stocks & bonds) to produce a high return for the state.

State Treasurer Jeff De Witt, who manages the State Land Fund, is opposed to the governor's plan of using the state land trust account to increase funding for public schools since it does not bring any "new" education funding and over the long term would rob education funding for Arizona's future children and grandchildren. This land was entrusted for the care of all Arizona children, not just in 2015.

Our governor has refused to fulfill the Voter Referendum of 2000, Proposition 301, in which schools are owed \$337 million dollars immediately. This is where the education funding should come, not from the Arizona Permanent Land Endowment Trust Fund.

Arizona voters, read the wording of the proposed Proposition 123 very carefully to be sure you understand the implications of this plan for the future of Arizona education.

Ann Reaban

Arizona's current state leaders have told us that the inflation spending for education required by the original Prop 301 is completely unsustainable in the event of a recession; however the reality is that the spending is simply not in line with their agenda. The Arizona Legislature has cut taxes, mostly for large corporations, in 19 of the last 20 years, essentially funneling money right out of our pockets. I am a Republican. I believe in supporting business as a way to support the economy, small government and lower taxes. But I also believe a strong middle class is critical to maintaining a strong economy.

Arizona's grand experiment with trickledown economics over the last 40 years has resulted in a much higher poverty rate and a poorly educated workforce that can't support the businesses we want to attract. We need a strong middle class and the only way to maintain a strong middle class is through EDUCATION.

With Proposition 123 the legislature is paying our schools from education's own bank account by tapping heavily into Land Trust Funds. The plan jeopardizes the future of education funding and allows the legislature plenty of free dollars for their own pet projects. The 2% triggers allow the legislature to opt out of increasing education funding when growth slows, meaning if people stop moving into the state we are likely to lose the inflation funding for good. And if taxes and other spending are cut enough, we are also likely to hit the 49% trigger which allows even more cuts to education funding.

Our schools are painfully underfunded. Administration spending in Arizona is 49th in the nation, so don't believe the propaganda about district misuse of funds. Your child deserves better.

Heather Morzinski

If Arizona voters truly understand the terms of Proposition 123, they will defeat it. Organizations such as the Arizona School Boards Association and the Arizona Education Association filed a lawsuit almost five years ago to force state government to obey the people's will and provide appropriate funding for our schools, but now they are retreating, even though they were in a position of strength, even though they had won the first rounds in their lawsuit against a lawless governor and legislature, and even though public opinion was trending their way. Inexplicably, educational leaders are giving up on their lawsuit and trying to get voters to accept a deal that would harm our kids, our schools and the very solvency of future educational funding in our state. The proposition would do the following, with highly-destructive results:

- Deplete the state land trust, not just its earnings but also its principal
- Use education money to fund more tax cuts, including corporate giveaways
- Realistically eliminate any possibility for inflation increases for education
- Let state government off the hook for one-third of what it owes to schools
- Plunder a supplemental funding source to supplant general fund responsibility

- Keep schools waiting for funding relief

Perhaps most egregious about Proposition 123 is that it **will in fact result in tax increases** on the citizens of Arizona. Proponents want us to ignore what happens when the ten-year term of land trust withdrawals runs its course, but when that happens, the school funding crisis will be more dire than it is now, even though that is hard to imagine. **This proposition guarantees tax increases.**

There is almost nothing good about Proposition 123. Demand that state government fund schools from the general fund as it should. **Vote no on 123.**

Jim Christ

If you were in the desert, desperately in search of water, could you quench your thirst by drinking your own blood? Can you keep warm in the winter by setting your house on fire?

Raiding the Permanent Land Trust to fund education now is a disastrously foolish plan. Every dollar we take out is a dollar that won't be earning interest for our children, grandchildren, and beyond.

In case you're wondering, drinking your own blood won't make you less thirsty; it'll make you sick.

Vote no on Prop 123.

For more information visit BraunForArizona.com

William Roy Nelson

NO ON PROPOSITION 123

Vote NO! Say that We the People **REFUSE** to once again let our state elected officials get away with ignoring **US** and ignoring the **ARIZONA COURTS**.

Voting NO here means you REFUSE to let our Governor and certain Legislators continue to hurt our children and our children's children.

In the short term, this measure increases the amount of money going to the public schools. **HOWEVER**, the amount gained will be inadequate to fix what needs fixing.

In the longer term, voting yes is voting to permanently put more nails in the coffin of public education in the state of Arizona.

This proposition provides for complicated bait and switch public education funding schemes which guarantee that the public schools will get increasingly **LESS AND LESS MONEY** over time **REGARDLESS** of what our kids ever need to be adequately educated.

It appears that the ultimate goals of our current administration are to use this measure to permanently cripple public education in Arizona and to weaken the voice of the People.

THE FACT IS THAT THE VOTERS in 2001 DIRECTED the Legislature to increase the rate of annual K-12 education funding to account for inflation. We the voters have been ignored for six years.

THE FACT IS THAT THE ARIZONA COURTS in 2013 DETERMINED that the State owed one BILLION dollars to the public schools. The Court ORDERED that over \$330 million be paid immediately. That Court order has been ignored.

THE FACT IS THAT THE GOVERNOR OF ARIZONA AND A MAJORITY OF OUR LEGISLATURE are unwilling to primarily FUND our public schools the way our state Constitution requires.

TELL OUR STATE OFFICIALS TO PAY FOR PUBLIC SCHOOLS THE WAY THEY ARE SUPPOSED TO.

VOTE NO ON PROPOSITION 123!

Catherine J. Morton, Lisa Scadron, Marcelo Ruiz, Susan Adler, Mary Meyer, William J. Risner, Rhonda L. Davis, Joe Graham, Patricia R. Maisch, Tamar Rala Kreiswirth, Ruth B. Davis, John M. Davis, Katherine Cornish, Barbara Kollier, Steven Landau, John Horan, Dawn Heinemann, John Deluca, and Peggy A. Deluca

VOTO NO! NO ROLLERCOASTER FUNDING SCHEMES! NO FISCAL CLIFF! We need SUSTAINABLE education funding!

Education is our future, the trust fund was setup to prevent politicians from stealing from it. They can't take it without your permission. **TELL THEM NO! TELL THEM TO DO BETTER!**

As a parent, I want my kids to have a good education, and I want their kids to have one too. Under this plan kids 8 years or younger will see automatic cuts in education before they graduate. This is not a prediction, it's written in the proposition to **AUTOMATICALLY REDUCE FUNDING IN 10 YEARS!**

They promise billions seized from the trust that will sound good in election ads, but after the politicians who passed it are out of office we are left with a huge fiscal cliff! They admit their plan is not sustainable, that's why they put in the automatic cuts. We will be stuck with either big education cuts, or massive tax increases. This is a bad deal.

I was called Chicken Little by a previous Governor for warning about the Great Recession. Now the economy is recovering and we have a budget surplus. If they want to spend money on

education, that's great! USE THE SURPLUS, DON'T RAID THE TRUST FUND. In the next ten years another recession is very likely, we should be protecting our trust fund, not raiding it!

Education is vital to Arizona's future. We can do better. We can improve money for education from the trust fund in a sustainable way; unfortunately these ideas were ignored. Don't let the short sighted politicians raid our education trust fund for political gain. Tell them to go back to work on permanent, sustainable solutions because our kids deserve better! Vote NO!

Dean Martin

TOO Much Money TOO Little Oversight

The K-12 District System is adequately funded with \$10.041 Billion in 2015 (most ever) in tax revenues – PLUS billions of non-tax revenues. It is irrational to pump another \$3.5Billion into an industry that diverts \$500,000,000.00 (**\$500million**) taxpayer dollars annually away from the classroom UNLESS safeguards are in place **prior** to the vote.

- **Dollars to the Classroom Report must be retained with no REDEFINITION of the term “Classroom Spending” – FUNCTION 1000:Instruction. This is the yardstick used nationally as created by the National Center for Education Studies to define classroom spending in every state & used by the Arizona Auditor General since 2001.**
- **District schools required to restore spending percentage to the classroom to FY2006 levels by FY2018 in FUNCTION 1000:Instruction.**
- **District schools required to meet the national average for spending percentage to the classroom using the same definition by FY2021.**
- **Add strong statutory requirements and penalties for non-compliance by the non-elected hirelings who are expending billions of taxpayer dollars without adequate oversight.**
- **Amend Title15 to prohibit Classrooms First Initiative Council proposals to place school finance laws in State Board of Education rules or policy handbooks rather than statute.**
- **Eliminate ALL override and bonding elections.** Courts have ruled that every student must have **equal** education funding; overrides and bonding violate that settled principle.

The State Legislature and Governor Ducey must:

- **REQUIRE** – an increase in the percentage of dollars to the classroom with administrator **and** organization penalties for non-compliance
- **Strengthen** audit/compliance
- **Maintain** legislative authority/oversight of this huge investment.

A large segment of Arizonans are in grave danger from ever increasing taxes on their homes. We must protect them while providing quality education to Arizona students. If the safeguards cited above are NOT in place, AzRA will actively oppose the proposition.

John Wilson

This ballot measure will raid funds which are supposed to be preserved for funding Arizona education in perpetuity. Don't Bust the Trust!

Prop 123 is a short-term fix that will leave a long-term scar on our schools and state finances. Our State Land Trust has been designated by Congress to be used solely for educating Arizona's children. Currently we are allowed to spend interest, and are required to protect the principal of the trust against inflation and follow the prudent investor rule. The Trust already pays more to schools than ever in the over 100-year history.

This proposition will change the Arizona Constitution and is inconsistent with the Enabling Act, violates the prudent investor rule, does not protect the Trust Fund from inflation, and will dip into the corpus (principal) of the Fund. The future estimates provided by the proponents of the plan are also highly optimistic as they assume no negative stock market returns or corrections during the next 10 years. Due to the payout structure of this plan, it could face years of litigation with questionable outcomes. This further delays funding to our schools and subjects Arizona to another costly and public court battle.

This is not "new money" for our schools. The more than 100-year old Trust Fund has been entrusted in our care for all of Arizona's children, not just the children of the next ten years. Kids in elementary school or younger will see a huge drop off in funding before they even reach high school.

There are better ways to accomplish these goals which are financially and legally sound and provide more money to our schools, and I ask each of you that we vote No on Prop 123 so we may jointly seek an alternative method to increase the funding of our schools.

Jeff DeWit

The School Trust money is meant to last forever and we are not allowed to spend any of the principal. This plan spends principal. By dipping into the principal we will not only face potential lawsuits that would tie up the money for years but we also will face a huge financial shortfall in just ten years that will create yet another gigantic education funding problem.

Let's require the legislators and the governor to solve the structural education funding problem now.

Please join me in voting NO on Prop123.

Carol Springer

Vote NO on Prop 123. It is actually a property tax increase across Arizona. The Governor says this puts new money into education without raising taxes. But less than three weeks after passing the measure they admitted it does raise taxes but slouched it off as that's just how school finance works. I don't know about you but I am sick and tired of being lied to by politicians.

And what happens in 10 years when this money runs out? A tax increase. No such thing as free lunch. If the schools need more money and you don't have enough taxes to give them the money then be honest and raise taxes. Don't insult my intelligence by trying to tell me that voting yes has no financial consequences. I'm voting no to send a message that the Governor should stop kicking the can down the road and pretend that he can cut taxes, raid the education trust fund and have us believe he supports public education.

Further, the Governor's Office said this measure is all about "education funding." Then why are they also increasing the funding from the trust to prisons? And the state hospital? Just another example of politicians saying one thing and doing another. Again, **Vote NO** so they can't give more money to prisons from the Endowment Trust while calling it an education funding proposal.

Most importantly, Prop 123 will create a huge fiscal cliff in 10 years that will cost taxpayers and schools billions of dollars. Why would we do this when we can instead say NO to this proposal and solve this problem the right way, without raiding the schools' trust fund.

Lori Michelle Hack

Vote NO on Prop 123! The proposed future estimates provided by the Governor's office are highly optimistic and assume no negative stock market returns or corrections during the next 10 years. I, for one, think it is foolish to base our school funding policy on the hopes that the stock market will keep going up, up and up with no downturns.

Some of our elected Legislators and Governor can easily fund schools and restructure the formulas without going to a vote of the people. This is a ruse to allow them to amend the Constitution to spend more money on other things. No thanks, Arizona deserves better.

I wish more of them had the guts to actually fix problems instead of kicking the can further down the road. This proposal fixes nothing. In ten years or less our schools' finances will be crushed, and we will be powerless to stop it since this proposal will have changed the Arizona Constitution. C'mon lawmakers!, the ones who are guilty here, stop misusing taxpayer money and get your hands out of our pockets already. I'm voting NO!

Randall Charles Hack

Sponsored by "Lori Michelle Hack"

Vote NO! This trust money is supposed to be here for future generations. By dipping into the principal of the fund, there is a big chance that lawsuits will tie up the money for years. Why would we just change one lawsuit for another unless it is a way that politicians are just trying to further delay solving the school funding problem?

The reason this is going to a vote is because the Constitution is being changed. Voting YES on this will CHANGE THE ARIZONA CONSTITUTION to allow our politicians to spend less

money on schools and more money on their pet projects. No thanks. I hope you join me in voting NO.

I urge a NO vote on Prop 123. This measure makes no sense. Just reading the language of the bill shows that you can't trust the Governor and some of the Legislature. First, they want to take 69% of the Permanent Endowment Land Trust for 10 years. Every financial advisor will tell you that such a withdrawal from any endowment or retirement account damages the fund permanently. In this case, it will cost nearly \$7 billion for schools for the following 40 years. So Prop 123 actually CUTS education funding not increase it!

Landon Charles Hack

Sponsored by "Lori Michelle Hack"

Vote NO on Prop 123! The School Trust money is meant to last forever and we are not allowed to spend principal. This plan spends principal and will cost our schools, and eventually Arizona taxpayers, BILLIONS of dollars.

Our State Treasurer has shown charts and graphs proving that this is LESS money for schools. So our politicians are spending \$9.5 Million of taxpayers' money to push this proposal on us which makes property taxes increase to many communities, and over time leads to lower funding for our schools. It is basically just a way for them to spend more taxpayer money on other things. I'm so sick of politics like this, I'm with the Treasurer and voting No.

The Permanent Land Endowment Trust is supposed to be that, permanent. It is not a piggy bank for the Governor and Legislature to raid. If Prop 123 is approved then the politicians in the future will look at this precedent and want to raid it in the future as well. Vote NO and you protect more than \$7 billion in future funding for education. That's right, this \$2.2 billion raid costs K-12 \$7 billion in funding over the next 40 years. Any financial advisor would tell you not to increase distributions to 6.9% for 10 years out of your retirement.

Carson Dwayne Hack, Peoria

Sponsored by "Lori Michelle Hack"

Vote NO! I stand with our many State Treasurers, including the current one Jeff DeWit, who are sounding the ALARM that this proposal will hurt Arizona's finances, schools, and taxpayers.

The Governor's office doesn't let anyone see the language of the bill until around 9PM on a Wednesday night, and the AZ House of Representatives votes on it on Thursday night. Within roughly 40 hours this went from no one even knowing what it says to the law of the land. Arizona's version of "pass it to find out what it says." We the people should have been given time to have input. This is a terrible way to govern. Kudos to Treasurer DeWit for saying we need to do things better. Our kids, our schools, our teachers, and our taxpayers deserve better! I am standing with Treasurer DeWit to vote NO on this bill. Our politicians need to do things the right way and not push these terrible proposals on us in the middle of the night.

We're already 50th in the nation in school funding. This proposal allows the legislature to further cap spending on schools. They could divert more money to private prisons and less to schools. I would rather educate our children, and by doing so we would need fewer prisons.

Connor Randall Hack, Peoria
Sponsored by "Lori Michelle Hack"

Please vote no on Prop 123. The Permanent Land Endowment Trust Fund is called "permanent" for a reason. It was put in place to fund schooling for generations to come. It is one of the few financial shining lights left in the State of Arizona. Since the beginning of statehood, it has been difficult for politicians to get their hands on these funds. If this measure passes, the AZ Constitution will be changed allowing future legislators to raid the trust fund for their pet projects. When the Permanent Land Endowment Trust Fund becomes empty years in the future, what will you tell your grandchildren and future generations when asked, "how did you vote when they wanted to raid the Permanent Land Endowment Trust Fund"? How will schools be funded in the future when the Trust Fund is empty?

There was a time when the U.S. Social Security Trust Fund had a lot of money in it too. Now look at it.....and it all started when they wanted to take just a little money from the fund.

Since this money will be rolled into the general fund, who says it has to be used for schools? Remember the 1 cent sales tax increase from a few years ago? That money was to go to the "children and schools"? Did you know that money got rolled into the general fund too and very little of it was actually used for what they said it was going to be used for.

This measure will increase property taxes for some across the state. It is sort of like double dipping!!

At the end of the day, prop 123 increases spending which to do so takes money that was earmarked for future generations. Please vote no on Prop 123!

Tom Platt

There comes a time when good men and good women must stand up to the tyranny that is Government. How many injustices will we suffer at the hands of tyrants and sociopaths? Raiding the Land trust is just one more example of ineffective leadership and suicidal economic policy. Our founders would be rolling over in their graves, they gave their lives, their treasure and sacred honor - for us to celebrate Black Friday, the groping of our children and this colossal failure in the on going expansion of government?

I implore you to turn off your televisions, wrest yourselves from your davenport and become engaged in our nation again. "All Tyranny needs to take hold is for good men and women to do nothing. "

They think we are fools and drones. This money will be rolled into the general fund. Who says how the money will really be used ones in the General Fund? They have such a great track record for managing finances (not). If you and I ran deficits, and massive debts like they do we would be tossed on our ears into the street and forced to beg for food and change.

I love kids, I have a beautiful baby girl. It is a common tactic of the elite to pull our heart strings to cause us to inflict wounds upon ourselves. I urge you to see through the façade and stand with the Constitution and rule of law.

How you vote I leave to you. As for me I will be voting no, hell no in fact. I hope you join me and discuss this with your friends and loved ones.

Matthew Papke

I am very proud of my son, State Treasurer Jeff DeWit, for standing up to do the right thing, no matter how hard this has been on him and his family. It is no surprise to me, as he has always done so during his life. I have always been very proud of him, from when he won second place in the country in the academic decathlon as a young man, to his very successful 23 year financial career, to wanting to give back and serve Arizona as Treasurer.

I wanted to share an example which he has said many times that makes the most sense to me and other retirees about this proposal. For our schools, this proposal to raid the principal of their trust fund which is meant to exist forever to benefit our schools is the same thing as if a new retiree took out a half of their 401K or IRA and spent it in the first year of retirement. They may have a new nice car and a lot of nice things. But do they have more money? It looks like they do to their friends, but after that money is spent they have less forever.

If we allow our elected officials to spend the schools' trust fund right now to solve an inflation funding lawsuit, our schools will have less money forever after. I hope everyone will take the time to read and truly understand the proposal before casting their vote, and those I know who do are also voting No.

Jana DeWit

“Don’t judge the book by its cover” – the lesson I learned as a student and later taught as a teacher for over a decade. Turning all the pages and reading the details is how we learn the information presented to us no matter how pretty or ugly the packaging can be.

Experiencing the statewide campaign and political office alongside my husband, State Treasurer Jeff DeWit, is educational and eye opening on how rules and laws are truly made. We are currently presented with a beautifully wrapped “idea” with sparkly promises, “new money”, convincing outcomes, and bright future – words that we so wish to be true and hope for. However, the details have been omitted from the public and even at the multiple meetings I attended where “the plan” was presented, the information given was misleading and data was not supported.

It is disappointing to see our elected government officials break their campaign promises of working together to improve Arizona. It is also terrifying to see if the so called “good idea” is approved by voters, it will become devastating to our state’s finances and children’s education in the future.

Please vote “NO” on Prop 123.

Marina DeWit

NOT WHAT THEY SAY IT IS!

When I first heard about this plan, I was glad to hear that there was a plan to put more money into schools. We all know Arizona is 50th in funding, and our teachers deserve more. The problem is, when you actually look at this plan it is not more money for schools or teachers. Even if it goes through we are still at the bottom!

This plan settles the school lawsuit for 70-cents on the dollar, and then 2/3 of that is the schools own money. Basically, the politicians raid the Schools’ Trust Fund, give it to the schools early, and then can spend Billions of dollars on other things like private prisons. That money should instead be going to schools.

On top of that, the extra trust money that should go into the classroom site fund will instead be redirected into the base-level fund, which means LESS money for teachers.

Oh, and remember how the politicians keep saying this “won’t raise taxes”? Well in case you missed the Arizona Republic article, it actually INCREASES property taxes by hundreds of dollars a year in many communities like Scottsdale, Cave Creek, Fountain Hills, and more, on top of the other recent increases.

Enough is enough. Vote NO to changing the Arizona Constitution to allow our politicians to spend more money on their pet projects under the guise of helping schools.

If this proposal fails at the ballot, the court order will remain in effect. That means A LOT more money for schools without the hike in property taxes that this will bring. Instead of wasting \$10 Million on this special election, they could have given \$2,000 bonuses to 5,000 teachers. Let that sink in and tell them NO!

Joseph Gentile

The Governor’s office doesn’t let anyone see the language of the bill until around 9PM on a Wednesday night, and the AZ House of Representatives votes on it on Thursday night. Within roughly 40 hours this went from no one even knowing what it says to the law of the land. Arizona’s version of “pass it to find out what it says.” We the people should have been given time to have input. This is a terrible way to govern. Our politicians need to do things the right way and not push these terrible proposals on us in the middle of the night.

Prop 123 is actually a property tax increase across Arizona. The Governor says this puts new money into education without raising taxes. But less than three weeks after passing the measure they admitted it does raise taxes but slouched it off as that's just how school finance works. I don't know about you but I am sick and tired of being lied to by politicians. And what happens in 10 years when this money runs out? A tax increase. No such thing as free lunch. If the schools need more money and you don't have enough taxes to give them the money then be honest and raise taxes. Don't insult my intelligence by trying to tell me that voting yes has no financial consequences. I'm voting no to send a message that the Governor should stop kicking the can down the road and pretend that he can cut taxes, raid the education trust fund and have us believe he supports public education.

The only thing I agree within the proposition is increased funding for the schools.

James Bernau

- The School Trust money is meant to last forever and we are not allowed to spend principal. This plan spends principal and will cost our schools, and eventually Arizona taxpayers, BILLIONS of dollars.
- The proposed future estimates provided by the Governor's office are highly optimistic and assume no negative stock market returns or corrections during the next 10 years. I, for one, think it is foolish to base our school funding policy on the hopes that the stock market will keep going up, up and up with no downturns.
- This trust money is supposed to be here for future generations. By dipping into the principal of the fund, there is a big chance that lawsuits will tie up the money for years. Why would we just change one lawsuit for another unless it is a way that politicians are just trying to further delay solving the school funding problem?
- Prop 123 will create a huge fiscal cliff in 10 years that will cost taxpayers and schools billions of dollars. Why would we do this when we can instead say NO to this proposal and solve this problem the right way, without raiding the schools' trust fund.
- We're already 50th in the nation in school funding. This proposal allows the legislature to further cap spending on schools. They could divert more money to private prisons and less to schools. I would rather educate our children, and by doing so we would need fewer prisons.
- I stand with our many State Treasurers, including the current one Jeff DeWit, who are sounding the alarm that this proposal will hurt Arizona's finances, schools, and taxpayers.

Shirly Waller

My family, friends and I are concerned about Proposition 123 as it pertains to the long-term impact to the financial health of Arizona. The proposal seems to be strongly opposed by the current and past State Treasurers and, from my understanding, The Treasurer's Office and other key entities are being excluded from the planning and design of this proposal. My concern is that a political game is being played to advance school funding in the short term while potentially causing long term harm by placing bets on extreme economic optimism and speculation. We need well designed financial solutions proposed by politicians that are willing to work with their opponents if needed to collaboratively develop plans and not let ourselves be tempted to implement plans that have such heavy contradiction from trusted State financial authorities. I fear that by not heeding the input of strong economic figures such as past and present Treasurers the Governor may be taking a big gamble at the expense of current and future Arizona residents.

I, along with my Family and Friends, intend on VOTING NO on Prop 123 out of skepticism that this is the most economically viable plan.

Brian Korito

The school trust money is meant to last forever and we are not allowed to spend principal. This plan spends principal and will cost our schools, AND eventually Arizona taxpayers, BILLIONS of dollars. I stand with our many State Treasurers, including the current one Jeff DeWit, who are sounding the alarm that this proposal will hurt Arizona's finances, schools, and taxpayers. We should not saddle our children and grandchildren with any more debt. The federal government has already passed on more debt then they can pay!

Merle Levig

Our AZ legislators should have debated pros and cons and taken public input before bringing this to the voters for a special off-season election when most people are distracted. At a time when we see higher health costs, this will be a burdensome property tax increase on top of bond and school override tax increases which just passed in November 2015. There is no guarantee that the economy will be better 10 years from now, especially with indigents (illegal and refugee) flooding our state. These folks will require higher health and education tax dollars. Education funding already comes from a variety of sources: state land trust, legislation, property taxes, and

not to mention the lottery. Education never has enough money, funds never seem to go to the classroom as promised, and test scores are not improving with more funding.

Vote no on Prop 123 and encourage lawmakers to fix the lawsuit issue in a more open and fair way, with legislative debate, public input and consensus, instead of rammed through legislation in off hours and off season elections.

Cathy Schwanke

Sponsored by "Legislative District One Republicans"

By taking from the School Trust fund money today you are seriously reducing the amount of money available for future generations of students in Arizona. The trust money originally was meant to be around for future generations. Instead they want to raid the account and reduce principle ultimately costing us as taxpayers of Arizona BILLIONS of dollars in the future. You can guarantee higher taxes in the future to cover the lost money. They say this measure is all about "education funding" however they are also going to be funding prisons, and state hospitals. This is a perfect example of politicians raiding potentially available money in order to look good by throwing money into other avenues of spending. This bill if passed opens up the trust fund to future raiding of principle. I stand with our many State Treasurers, including the current one Jeff DeWit, who are sounding the alarm that this proposal will hurt Arizona's finances, schools and taxpayers.

James Patrick Quigley

Our elected Legislators and Governor can easily fund schools without going to a vote of the people. This is a ruse to allow them to amend the Constitution to spend more money on other things. No thanks, Arizona deserves better.

Deborah E. Ruff

Sponsored by "Barbara Wyllie"

We do not want to do harm to the future of Arizona by passing Prop. 123 and changing the AZ State Constitution. By doing so we are allowing politicians to tell us one thing and then do something else with the money. Where is the debate? Must we "pass it to find out what's in it, the details? The devil is always in the details as we know.

The principal of the School Trust money should be protected and not spent on pet projects. Where is the guarantee? Arizona tax payers passed the highest property tax dollars in Arizona's history. How much does it take before we say "NO More" spending?

Our Governor and Legislators need to protect the taxpayers and not find ways to spend more taxpayer's dollars. Our children and teachers deserve better. Prop 123 is a terrible deal and is not the way to fix the problem. Please VOTE NO on Prop. 123.

Vera Anderson

Sponsored by "Daisy Mountain Tea Party Patriots"

Victoria Dollman's reasons against Prop 123 are as follows:

- We're already 50th in the nation in school funding. This proposal allows the legislature to further cap spending on schools. They could divert more money to private prisons and less to schools. I would rather educate our children, and by doing so we would need fewer prisons.
- The reason this is going to a vote is because the Constitution is being changed. Voting YES on this will CHANGE THE ARIZONA CONSTITUTION to allow our politicians to spend less money on schools and more money on their pet projects.
- The School Trust money is meant to last forever and we are not allowed to spend principal. This plan spends principal and will cost our schools, and eventually Arizona taxpayers, BILLIONS of dollars.
- Prop 123 is actually a property tax increase across Arizona. The Governor says this puts new money into education without raising taxes. But less than three weeks after passing the measure they admitted it does raise taxes but slouched it off as that's just how school finance works. I don't know about you but I am sick and tired of being lied to by politicians. And what happens in 10 years when this money runs out? A tax increase. No such thing as free lunch. If the schools need more money and you don't have enough taxes to give them the money then be honest and raise taxes. Don't insult my intelligence by trying to tell me that voting yes has no financial consequences. I'm voting no to send a message that the Governor should stop kicking the can down the road and pretend that he can cut taxes, raid the education trust fund and have us believe he supports public education.

Victoria Dollman

Voting YES means voting for higher property taxes after our property taxes have already been raised by *new* bonds and overrides. I can't afford another \$315 per home per year increase if this passes! Join me in voting NO for any politician who voted to put this on the ballot. The language of the bill was released very late and voted on without time for legislators to receive comments from constituents. We the people should have been given time to be part of the decision making process. This is not 'governing', it is forcing one's will on us who will foot the bill, without our knowledge or input. Now a May election for voters to approve it?! We know 'off season' elections are used to slip proposals through when the majority of voters are most unaware. Our politicians need to do things openly and in a timely manner and not push these terrible proposals on us in the middle of the night. Thank you Treasurer DeWit and former treasurers for informing us about this!

Steve and Debbie McDonald

- This trust money is supposed to be here for future generations. By dipping into the principal of the fund, there is a big chance that lawsuits will tie up the money for years. Why would we just change one lawsuit for another unless it is a way that politicians are just trying to further delay solving the school funding problem?

Stephanie Rogers

Proposal 123 will hurt Arizona's finances, schools, and taxpayers.

Devon Auth

Proposal 123 will create a huge fiscal cliff in 10 years, which will cost Arizona billions of dollars.

Jennifer Auth

Our State Treasurer has shown charts and graphs proving that this is LESS money for schools. So our politicians are spending \$9.5 Million of taxpayers' money to push this proposal on us which makes property taxes increase to many communities, and over time leads to lower funding for our schools. It is basically just a way for them to spend more taxpayer money on other things. These type of politics are what is wrong with our country.

I'm with the Treasurer and voting No.

Kerry Levig

I am not confident that our leaders will not touch the PRINCIPAL. We have an obligation to protect this Permanent Endowment Land Trust that was created in 1910. After all, this Trust Fund is for our children. We need to vote NO for our children.

Debbie Javete

Sponsored by "Barbara A. Froese"

I stand with our many State Treasurers, including the current one Jeff DeWit, who are sounding the alarm that this proposal will hurt Arizona's finances, schools, and taxpayers.

Al R. Froese

They are raiding the Permanent Endowment Land Trust that we, the citizens of Arizona, should protect. Our ancestors have protected this FUND for over 100 years. Our leaders can and do use interest made off of the investments but this proposition will use the principal. I am voting No and I hope you do to.

Barbara A. Froese

The School Trust money is meant to last forever and we are not allowed to spend principal. This plan spends principal and will cost our schools, and eventually Arizona taxpayers, BILLIONS of dollars.

Miriam Costanza

Sponsored by "Barbara Wyllie"

DON'T SPEND THE PRINCIPAL is a Principle that I have lived by. The same thinking should be supported by Governor Ducey, but he makes arguments that are contrary to good financial sense. When reading articles in the paper, it shows that the policy of 'kicking the can down the road' cannot be sustained. The courts have granted the schools a settlement that Prop 123 will negate. The funds available to adhere to the court order will be diverted to fund prisons and to tax cuts.

Everyone likes a tax cut, but Arizona citizens are concerned about the poor funding and state of education. Poor schools systems do not attract businesses from other states when evaluating good sites and amenities for locating new facilities.

Clarity and transparency are critical to protect Arizona's finances. This is a complex issue, but Treasurer Jeff DeWit has made it as easy to understand as possible. Prop 123 was pushed through quickly and the issues muddied as much as possible. There are currently funds for the schools, and it could be catastrophic to the future funding when Governor Ducey is out of office and not answerable for the compromised Land Trust.

According to the AZ Republic, property taxes will rise in my community. That nullifies the Governor's pledge that taxes won't rise, but that is not true. The Governor has an agenda to be a hero and eliminate the State income tax and lower corporate taxes, but I think the first priority is to be clear with the voters and put the right kind of funding for the schools without compromising the future of the Land Trust.

Treasurer DeWit has dared to stand up for fiscal responsibility in the face of coerced legislators. I stand with him in voting 'NO' on Proposition 123.

Linda Robbins

I urge you to vote NO on Prop 123. This is a terrible deal for education going forward in the future by raiding a Permanent Land Trust Endowment of 69% for the next 10 years. The Trust currently allows for 2.5% per year to be used. Not only will this deplete the fund for future education funding, it is a quick political fix which kicks the can down the road. It will eat at the corpus or principal of the land trust and risk future education funding.

Our current Treasurer who is the steward of these funds as well as past state treasurers have all come out and said this is a terrible idea and potentially unconstitutional which could cost the state millions in legal fees.

Furthermore, do you really want your property taxes raised? That is the dirty little secret that you are not being told. Go do your homework on this shell game that is being proposed. We all want to fund our schools adequately but the legislature was and is supposed to fund the obligations not the Permanent Land Trust Endowment.

It looks like we will just avoid one lawsuit in exchange for another and who wins – the lawyers, not the schools or the taxpayers. As they say, the devil is in the details and the details of this scheme is not a solution but a problem waiting to happen.

There are better solutions that will not put education funding at risk 10 years from now. We need real economic solutions not political ones that advance a short-term fix but don't really address the issues.

Lori Klein Corbin

“It’s for the children!” How many times have I heard this in my teaching career. Yet every time we vote to increase taxes whether it is through bonds, overrides or propositions, the money rarely seems to reach the classroom. Who does benefit? Lobbyists, construction companies, consultants, administration – you get the picture. Now we are being asked to actually amend the Arizona Constitution which would allow the legislature to raid the Permanent Land Endowment Trust Fund. The School Trust money is meant to last forever. We are not allowed to spend the principal because it ensures a safety net for future generations. Prop 123 will create a huge fiscal cliff in 10 years that will cost taxpayers and schools billions of dollars.

I agree with Governor Ducey’s education goal to put more money in K-12 classrooms without increasing taxes. However, this proposition puts the “cart before the horse”. I do not agree with throwing more money at the current dysfunctional K-12 school district system by eroding the principal of this fund. Governor Ducey’s Classroom First Initiative has been meeting for several months to construct a fairer, more equitable formula for funding our schools. This should be the state’s first priority. We must be sure that the dollars we spend in education are spent effectively before we add more money to the pie.

I attended the sessions in which Prop 123 was “rushed” through the process, partly I believe, in an effort to settle an inflation funding lawsuit and take pressure off the Governor and legislature

from perceived inadequate education funding. This is simply bad politics that may solve a short-term problem at the expense of our children. Voters, please do your research starting with our own State Treasurer to completely understand the ramifications of Prop 123.

Corinne K. Haynes

I urge a NO vote on Proposition 123. The reason we're voting on this is because the Arizona Constitution protects our children from politicians by preventing them from spending the principal of the education land trust. Your yes vote changes the Constitution and allows politicians to raid the principal of our children's trust fund, putting future education funding at risk. If this deal didn't touch the principal, it wouldn't require voter approval.

This is a TEMPORARY spending increase, which means in 10 years, we'll have to cut education spending as this funding goes away. More likely, outrage will force cowardly politicians to keep the spending increase in place, completely depleting the trust fund and robbing our grandchildren of this tax free source of funding. Once the trust is depleted, not only does the increased funding disappear but so does the original trust fund spending. Our kids will have to pay higher taxes for their children's education to make up the difference because of our greed today.

There are plenty of alternatives to increase spending from the trust fund that don't require touching the principle and thus wouldn't require your vote. For example, simply spending the same increase over 14 years instead of 10 would actually allow the change to be permanent with only a small reduction in the amount spent in each year, which is still an increase over current spending.

The worst part is that this deal removes voter enacted protections and opens the doors wide open for current AND FUTURE politicians to redirect money from the education trust fund anywhere they want.

I encourage everyone to vote NO to leave protections in place and demand a better solution.

Glen Eric Morgan

This is what they are not telling you about Proposition 123:

1. It removes the inflation protection of the Permanent Land Trust Endowment Fund added by voters to the Arizona Constitution in 1998.
2. The \$2.2 billion in additional funds from the Endowment in Proposition 123 does not go to the Classroom Site Fund as directed by voters in 2002. So instead of money going only for teacher salaries and smaller classrooms, the money from Proposition 123 can be spent on whatever school administrators decide. That also means the Legislature doesn't have to use the general fund for education allowing lawmakers to reward their corporate sponsors supporting Proposition 123 with tax breaks.

3. Removing the inflation protection of the Endowment requires approval by Congress so this money will not be going to schools right away.
4. After 10 years, the Endowment will have less money, schools will have about \$250 million a year less unless voters approve a tax increase.

Vote “NO” on Proposition 123 and tell the politicians to stop cutting education.

Kenneth Lomando

This amendment to the Arizona Constitution is a bad financial decision and needs to go back to the drawing board. Clearly in the haste to approve this no one with any financial background was consulted. I will try to make this easy to understand.

We are starting with about \$5 billion in the trust and we add about \$100 million a year in new land sales to it so at the end of 10 years we would have \$6 billion not including interest earned. But this measure asks us to pay out 6.9% a year, about \$350 billion a year, which is about 1% more than what the trust has earned since 1999. So clearly we are going to spend part of the corpus of the trust in the next 10 years. The slick marketing on this tells us don't worry there are safeguards to lower the distribution. Yet the Joint Legislative Budget Committee points out that the trigger mechanism in Prop 123 would never had been used in the past 16 years even during two stock market crashes!

So would I rather believe the politician who sold us expensive ice cream in his previous life or the most qualified State Treasurer we have elected with 23 years of financial markets experience?

I'm with Jeff Dewit. Vote no, start over, and put something on this November's ballot that makes financial sense for Arizona, our schools, and our Endowment.

John Stephens