



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

KATIE HOBBS
GOVERNOR

EXECUTIVE OFFICE

February 23, 2023

Senator Warren Petersen
President of the Senate
1700 W. Washington Street
Phoenix, AZ 85007

Re: SB 1184

President Petersen,

I have vetoed SB1184. I appreciate the legislature's interest in addressing rising housing costs, particularly for renters. Lowering costs for Arizona families is a priority of my administration. Unfortunately, this bill suffers from two important defects at this time.

First, this bill lacks any enforceable mechanism to ensure relief will be provided to renters. As noted by the legislature's own attorney, provisions in the bill that purport to require that tax savings be passed on to renters face challenges under both the state and federal constitutions. If we are going to promise relief to renters, it's important that we are able to ensure they actually receive it. For working families faced with ever-increasing rental prices, this proposal just doesn't fit the bill.

Second, the bill includes an appropriation of roughly 270 million dollars over the next eighteen months. To approve of such an appropriation outside of a comprehensive budget agreement would be irresponsible. If the majority caucus is committed to such an appropriation, I expect that it will be brought to bipartisan budget negotiations for consideration.

Sincerely,

Katie Hobbs
Governor
State of Arizona