

Bond Case Briefs

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REFERENDA - ARIZONA

Arizona Chamber of Commerce & Industry v. Kiley

Supreme Court of Arizona - August 2, 2017 - 399 P.3d 80 - 27 Wage & Hour Cas.2d (BNA) 717 - 770 Ariz. Adv. Rep. 12

Challengers to a voter-approved initiative on statutory changes regarding a minimum-wage increase and mandatory sick leave petitioned for a declaration that the initiative violated the state constitution's Revenue Source Rule, the Separate Amendment Rule, and the Single Subject Rule, and challengers sought to preliminarily enjoin implementation and enforcement of the initiative.

The Superior Court denied a preliminary injunction. Challengers sought special action relief.

The Supreme Court of Arizona held that:

- Initiative's requirements regarding actions by the Industrial Commission of Arizona (ICA) were a mandatory expenditure of state revenues under the Revenue Source Rule;
- Initiative's provision imposing civil penalties on employers that failed to pay earned sick time to employees was a source of funding that satisfied the Revenue Source Rule;
- The raising of payment rates by the Arizona Health Care Cost Containment System (AHCCCS), the state Medicaid program, was not a mandatory expenditure of state revenues under the Revenue Source Rule;
- Initiative did not violate Separate Amendment Rule; and
- Single Subject Rule applies to acts and does not address initiative or referendum petitions.