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#### SPEAKERS

Christopher Conover, Nicole Cox, Michael Dauphinais, Warren Petersen, Priya Sundareshan, NPR promo

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Michael Dauphinais 00:00

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# Christopher Conover 00:09

Welcome to The Buzz. I'm Christopher Conover. This week, legislative leaders discuss their priorities for the session. Arizona's 2025 legislative session officially begins Monday. State government remains divided. Republicans maintain control of both chambers after November's election, but almost any bill that comes from the legislature must be signed by Democratic governor, Katie Hobbs or have enough votes to override a veto. So what are leaders from each party planning for the coming session? We start today's show with Republican Senate President Warren Petersen. Our conversation begins with the topic of how he plans to navigate the reality of getting bills passed that require the signature of a Democratic governor.



#### Warren Petersen 01:02

Yeah. So we're in this interesting era of divided government, but you know, we've, the last two years, we've put together majority plans. We've executed those plans, and the great thing is, is a majority of the bills that we've actually put forward have been signed. There's a lot of attention towards the ones that are vetoed. I think people like to focus on that, but the reality is, most, most of the bills we put on her desk were signed.



# Christopher Conover 01:33

And you're absolutely right, the vetoes get the splash, but the majority of the bills pass. And my years of covering legislatures here and in Florida's the majority of the bills pass easily. It's just the handful that everybody focuses on that are a little more contentious. Everything generally

seems to slide through relatively easily overall.

# Warren Petersen 01:57

Yeah. I mean, I think you have bipartisan bills that you know, they do pass easily, but we've had some even Republican bills where it was just Republicans who voted for them. We were able to get some of those done. I'll just give you a couple of examples that were kind of some more difficult bills, but we ended up getting them signed. We were able to do the rental tax repeal. Basically all of the Democrats voted no. I think there might have been one Democrat that voted yes on the on the rental tax repeal that just went into effect on January 1. The other one was what was affectionately known as the tamale bill that had been vetoed before and and with the rental tax, rental tax had been vetoed before too, but, you know, the second time or third time we put it up there, we were able to get it signed.



#### Christopher Conover 02:50

And both of those, especially the tamale bill, got a lot of attention as it was going through. I remember it well,

Warren Petersen 02:56 yeah,

# Christopher Conover 02:56

so last year we also saw a number of resolutions that sent items to the ballot, a lot of those ended up failing. Most of those failed. And we heard a lot of complaints from our listeners here in southern Arizona that boy the ballot was really, really long in 2024, general election is two years away. But did those comments kind of change any of your thinking as a presiding officer, when someone brings forward something and says, let's put it to the ballot?

# Warren Petersen 03:31

Yeah, you know, the ballot would have been two pages, with or without 10 initiatives. You know, usually there's four to six. There were four to six more than normal. Even with those off, you would have had a three page or three and a half page ballot. So the biggest reason we have a huge ballot is we have a ton of judges that were up for retention in the larger counties. As we're looking for the next two years, you know, we're bringing back a similar dynamic that we had before, obviously, things that didn't pass on the ballot, those, those aren't going to go back up onto the ballot. But we saw this. We put one form or another of the Border Security Act on her desk several times. She vetoed it every time, and then it passed nearly two to one with the public. The sex trafficking bill. You know, she's vetoed iterations of that, and that passed, you know, overwhelmingly as well. There will be some bills I'm sure, that will end up on her desk, and if she vetoes them, these highly popular bills with with the public, I imagine those have a good chance of of ending up on the ballot. I'll tell you one of those. I think that we may

get in this situation. I hope we're not. But election results night of the election, voters want to know the results of their election night of. They don't want to wait 10 to 13 days, and they don't need to. We met with the Florida Secretary of State found out the key distinctions between Arizona and Florida. And we have a bill that I've introduced. I think the house will have something similar that will give us election results night of. We saw polling on it, it showed it's very popular. And I think that'll be one of those bills. It'll go on her desk. And, you know, I think there's a good chance she signs it, but if she doesn't, then that may be one of those that that ends up on the ballot.

# Christopher Conover 05:24

Talking about public sentiment. Education is always something that the public has lots of opinions on, and it seems like this year, one of the big issues could be the renewal of Prop 123, which dealt with money from the state land trust for schools. Do you see renewing Prop 123, as a cut and dry move, or is this going to be one of those that's going to take a lot of discussion?

## Warren Petersen 05:50

Well, there was a lot of discussion on it. Last session. There was, I think the Senate was ready to pass out a version that we had built consensus on. I don't think this house ever got there. We do have Senator Mesnard in the Senate working on it now, Representative Gress, and the house is working on it. Several stakeholders are meeting with them. There is something interesting that's, I think, important for the public to know about this. When we budget, we don't just budget this year. We budget out three years. And so we budgeted to backfill the prop 123, money in the event that prop 123 doesn't pass. So the money is there, that education funding has been protected by the legislature. We prioritized it. We budgeted for it. So as we're talking about prop 123 now, we are talking about additional funds. I think the schism that we've seen is that the, you know, governor's office and the Democrats have wanted this funding to kind of go out to all parties, and we feel like without accountability, and the Republicans really want this to be focused on teacher pay. We really want it to get into the classroom. You know, that remains a disagreement. And I think Republicans also want to see, you know, school choice, parental choice. Parents have the right to educate the kid, their kids the way they want to. Democrats disagree with us on that. And so that is certainly, you know, part of the discussion as well.

# Christopher Conover 07:19

You bring up school choice, and everybody is going to jump mentally to empowerment scholarships. They've been in the news an awful lot lately. Is there something that the legislature needs to do to make sure that those monies are used correctly? And I know even superintendent Horne has said he could use some more staff just to make sure that program is being used in the way that it was intended to be used. Is there an answer to this?

#### Warren Petersen 07:50

Listen, government funds everywhere, not just ESAs, but in AHCCCS, we've seen billions of dollars of fraud. We see we saw local embezzle embezzlement by a public school. We saw

donard of fraud, we dee we daw focal embeddie embeddiemene by a public denoor, we daw embezzlement by a county treasurer somewhere that recently got nailed for embezzling 10s of, you know, millions and millions of dollars. So we care about this everywhere. But there are some important facts that people need to know. We are currently funding district schools, total funding is about \$14,000 per student. Charter schools is about \$12,000 and then ESAs is about \$7,000 so when you're talking about per pupil funding right out the gate, ESAs are a savings to the taxpayer. Now we never want the money in any of these areas to be misspent. I think that is really on the on the Department of Education, and I actually shared some ideas with them recently. One was that they should be making sure every new student who comes into this shows two forms of ID, so we know that these are real students. The reality is this too. There was some misinformation last cycle saying ESAs were bankrupting the state, or whatever. We were within budget, on the K 12 budget, ESAs fall within K 12. More people joined ESAs than we thought. That doesn't mean they're bankrupting the state. That means more kids than we projected, ended up going into ESAs, so we under projected, but less people were in the total K 12 budget than we projected. So actually overall K 12 we spent less money on the K 12 budget. We had a surplus in the K 12 category. And esas are a subcategory of the K 12

# Christopher Conover 09:40

switching subjects, border and immigration are listed in the first pillar of the majority plan for 2025 with the change in administration federally, does that change? How you all are thinking about that first pillar?

# ິ<sub>ິ</sub> 09:59

100 percent. I mean, the prior speaker and myself were involved in at least 50 lawsuits where either the federal government was encroaching on Arizona or Kris Mayes or Governor Hobbs were not following the law, or even the Secretary of State. So we don't have to worry about Biden, at least we're looking at a now, a federal government that is going to be enforcing the law instead of breaking the law. And so it totally changed. It changes the dynamics of our interaction with the federal government. I think it shifts from us litigating to try to get them to follow the law, or US legislating to try to enforce laws that they're not enforcing. Now what we're doing is, how can we help the Trump administration implement their agenda to protect our southern border? We've already seen a couple of novel pieces of legislation introduced on this one is by Senator Kavanaugh that says if the state has unused buildings, those should be able to be used by the federal government for whatever needs they might have. I'm working on a piece of legislation. There may be others that will do something along the lines of, if the state or local municipalities go rogue and say they're not going to enforce, you know, help or cooperate with federal government, then we'll have accountability measures.

# Christopher Conover 11:25

I know you are a busy man. I want to hit one more topic, and again, it was in that first pillar, and that's rural water, water as a whole, but specifically rural water, it's a top priority. It's also a topic that divides across party lines. Do you see some changes coming to how the state is going to handle water outside of active management areas?

## Warren Petersen 11:52

Well, what do they say? Whiskey is for drinking water is for fighting

Christopher Conover 11:57 exactly

# Warren Petersen 11:59

here. Here's the reality in Arizona, we have been a gold standard for the west of conservation of water. We we are using less water today with 7.5 million people, than we used with 1.5 million people. So we know how to conserve and grow, and we have done this with good Republican policy, where we have been able to have business thrive and have all the housing we need with the water allocations that we have. Now over the last two years, we have put several solutions on the governor's desk, and she has just vetoed these solutions. These have been innovative things that could allow us to continue to grow, and her position, along with our attorney general, has been just shut it all down. Well, that's completely foolish. I mean, here's something you will. You should see again. And that is our ag to urban concept. If you're going to take a farm that uses three times the water that how a housing development uses, and that farm is purchased to be used for housing. Well, then you should be able to grant them the permits to build. It's a two thirds water saving, the housing is literally the solution to the problem.

# Christopher Conover 13:15

In talking about farming, of course, right now, you can't talk about water and farming without talking about Fondomonte, the Saudi tied alfalfa farm in La Paz County. The Attorney General is suing them, using nuisance laws. We also have a Cayman Island registered hedge fund who also happened to be in La Paz County that owns the land that is a transfer basin in La Paz County for Maricopa County. Is it time to look at outside ownership of Arizona land, especially as it comes to water rights?

#### Warren Petersen 13:52

Yeah, we actually had legislation that was moving forward that was prohibiting foreign entities from owning land here in Arizona. So we have had efforts to do that, I think, as we're doing leases too as I mean, that was an insane lease that was negotiated, that was a poorly negotiated lease by the state,. If you ask me, that's really where the failure is coming. You know, ex post facto, if you will, into this situation, is not really the way you want to handle this. We're going to be, I imagine, looking at damages, or we'll see how this plays out.

#### Christopher Conover 14:29

What about the ownership the land Fondomonte has now they all own, and again, that hedge fund which is chartered through the Caymans, it's land they own. So it's not even leases



# Warren Petersen 14:42

We have put forward legislation to prohibit foreign entities, especially those who don't like the United States. We've put forward things to prevent that from happening.

# Christopher Conover 14:56

That was Arizona Senate President Warren Peterson. You're listening to the buzz after the break, we hear from a leader on the other side of the aisle. Stay with us.

# NPR promo 15:07

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# Christopher Conover 15:23

Welcome back to The Buzz. I'm Christopher Conover. We're asking legislative leaders about their priorities for the upcoming session this week. We started the show with the Republican leader in the Arizona Senate. We now speak with his counterpart, Democratic senator Priya Sundarashen is the minority leader in that chamber this session, I started by asking what she thinks her party can do despite being outnumbered by Republicans,

## Priya Sundareshan 15:51

I think that there's absolutely, there's a bit of both. You know, we Democrats will be absolutely needing to be on the defense for a lot of different things, a lot of different issues. You know, we continue to be in the minority at the state legislature. And now on top of it, we're facing the federal Republican trifecta. So with Republicans control in control at both the both the federal level and at the state legislative level, Democrats in the legislature will continue to play an important defensive role in making sure that we are highlighting a lot of the problems with what Republicans are bringing forward, making sure that we are bringing daylight and information and the important context about impacts of what these Republican proposals might mean for people's lives, for you know, we, you know, make sure that we're protecting working families and people who are trying, who are struggling. You know, we know that there's high costs that people are facing, and so we want to make sure that we're highlighting what what those impacts are, and that we're trying to make people's lives better, and so there's always going to be an aspect of the defensive. We are also very much I'm very confident that there's going to be some proactive work that we can get done. I've been working the last two years very significantly on water issues. I think water is one of those areas where there is a statewide recognition that has been growing over the last many years that rural groundwater has not

been protected. Rural residents are facing a lot of significant issues. Even small family farms are unable to continue to pass their their family operations down through their generations. And so, you know, Democrats have long been seeking protections, but it's finally at the point where I think there's a statewide recognition, there's a statewide momentum. So I'm, I'm very optimistic, actually, that we will be able to protect rural groundwater and and accomplish some really significant, positive protections.

# Christopher Conover 17:59

You brought up, frankly, one of our favorite topics, which is rural groundwater. We have our Tapped podcast, and we've talked a lot about it. We've seen towards the end of the year, Attorney General Mayes has filed nuisance laws lawsuit against Fondomonte, the Saudi alfalfa farm in La Paz County, the state has declared the Willcox Basin and AMA, even though voters had turned that down a couple of years ago, there were moves in the legislature last year to especially take care of the Willcox Basin, but They got blocked by some in the legislature. Are you hopeful that with the AMA going in the legislature now, can do something this year with that basin and others?

# Priya Sundareshan 18:54

the actions that were taken by both Attorney General Kris Mayes in going after the corporations, especially those out of state and foreign corporations, the that are sucking up groundwater in our rural areas to the detriment of Arizona residents and as well with Governor Hobbs and the Department of Water Resources actions to declare the Willcox AMA, both are very important and significant actions that have been taken, and really have been taken because there is the absence of legislative action. It really highlights and underlines the need for for the legislature to act. You know, we cannot simply just keep relying on the Attorney General to bring, you know, continued lawsuits. Those are very those are very important and and are, and are key in the absence of really broad statewide protections. But it really does fall to the legislature to come together and put forward groundwater protections, and we were negotiating in 2024 and we'll continue to have those discussions, I think we had some very productive negotiations over the course of the year. We'll continue to have those conversations, and hopefully those continue to be productive to the point where we do get that rural, rural groundwater legislation, and significantly, with actual, meaningful protections for rural groundwater, passed. I think you know, the reason that did not pass last year is we still were somewhat far apart in recognizing that we are seeking to protect rural residents and protect the small family farms. And so what we do needs to incorporate and include a meaningful protection so that those, those are the people we are protecting when we are trying to limit, reduce the aquifers from being depleted. If there's proposals that claim to be protective but will not actually do anything to meaningfully protect the groundwater and the residents in those aquifers, you know, Democrats will not, will not be supportive, so that's where we are seeking to find that compromise and that common ground this year.

# Christopher Conover 21:05

You said compromise, and it sounds like water may be one of those bipartisan issues eventually that everybody can get to agree on sometime during the session. Are there other issues that you see hope for a bipartisan agreement on?

# Priya Sundareshan 21:23

I hope for bipartisan agreement on so many things that we will be continue. Democrats will continue to prioritize and put forward, and we're always looking for bipartisan support on these priorities. You know, I think we can talk about, as I mentioned, Democrats are looking to reduce costs for working people, and that includes reducing costs for childcare, which I personally experience as someone with two kids under five who has access to very high quality but also very expensive childcare. You know, housing issues. We're looking to make housing affordable again, and whether that is seeking to limit the ability for out of state corporations who are coming in and raising raising rents astronomically, or even, you know, looking at the issue of short term rentals, these are issues that the Republican majority has not been interested In picking up in the last couple of years. So is there, Is there another area where I do think we can find bipartisanship? There's been a little bit of flurry of discussion these last couple of weeks about, how do we make elections counting faster? Now, I don't think that there is actually a need to be speeding up our election counting. I don't, don't see any significant evidence that was raised in the 2024, election that any significant problems existed in Arizona. You know, rather, this seems to be driven by impatience of some people who would just like to know the results faster when I think we should all agree that it's more important that voters have access to the ballot and that every single vote is counted, that is cast appropriately, and that rushing things does not lead to necessarily better solutions or more accurate solutions or accurate results. But there are a few areas that we can potentially come to common ground on where we might be able to do some things that do speed up that counting process, as long as they do not sacrifice voter access. And so that's an area that if, if it is to be a discussion and a focus of the Republicans, I think you can find that there will be common ground with Democrats on those areas.

# Christopher Conover 23:42

Education is always a hot topic in the legislature. Prop 123, which puts state land trust money into schools, is back up for reauthorization. I'm assuming Democrats are strongly behind that. Do you think there's bipartisan support to get that done?

# Priya Sundareshan 24:05

I hope so, and I think we do need to see where where discussions have been going. So Democrats, as you've said, Democrats are in full support of maintaining and really increasing our public education funding simply to even make up for cuts in decades past, because we've never caught up to the cuts that were made during the recession, and have not even have barely kept up with inflation. So anything that is going to continue to provide funding for public education, Democrats are supportive of. And in the prop 123 context, we are looking for a simple continuation of prop 123 we're not looking to, you know, add in unrelated proposals to the prop 123 discussion. I think the simplest answer is just continue prop 123. Provide the needed education funding. That it has been providing, and let's move on. Let's not try to bog down the negotiations with unnecessary and unrelated proposals.

# Christopher Conover 25:08

Is there anything in particular that you've seen, and I understand all the bills have not been filed yet, and we won't even get into amendments and zombie bills and all of that. But is there anything that you have seen so far that is an absolute Forget it non starter, so far as you and the Democratic caucus are concerned.

# Priya Sundareshan 25:28

Well, yes, in the educational context, you know, we are, as I've said, looking for simple continuations of prop 123 and we're looking for simple continuation or a simple, you know, fix to remove the AEL, but if there are going to be elements within the Republican Party that are seeking to add some kind of voucher measures/ESAs kind of aspect to that Democrats have not been supportive of further entrenching the universal voucher program because it has been remarkably unsuccessful and also a remarkable drain on the, on Arizona's budget. You know, it was sold to the public when it was passed as a, I think, somewhere in the \$30 million range of a cost to the state. And in fact, it's coming up on a billion dollars annually for these ESA vouchers. And so, you know, that's a significant, significant increase with no ability to pay for it. And all of that that has done is to remove the ability for our public education system to be properly funded. And so that's the kind of thing that is an example of what kind of a provision might be the reason that Democrats cannot support something in that vein,

# Christopher Conover 26:56

as we wrap this up, the one party we haven't talked about we've talked about Republicans and we've talked about Democrats in this, and spent a lot of time talking about what bipartisan things could go through, but we haven't talked about the governor's role in all of this. She's a Democrat. We all know that she also set a record on vetoes last year. How does the governor play into all of this? This being legislation,

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#### Priya Sundareshan 27:26

the governor is a very, very important stakeholder in every piece of legislation that has to pass and have her have her signature on it, and let's remember that in both years that the governor has has been the governor. Governor Hobbs has been governor. She has vetoed a number of bills, but she has signed more bills than she has vetoed in both sessions. It is a sign of her governing style is that she wants to see the business of Arizona conducted. Democrats are absolutely ready and interested to continue the governing of Arizona, and we're here to work with Republicans, as we must, because they are in control of the legislature to make sure that that our government works for the people. And that it is not here to simply benefit, you know, large corporations or interests that are not looking out for the welfare of regular Arizonans. So we're all working together and and we're very grateful to have Governor Hobbs as our governor, because so many of the bills that she has been forced to veto are so, so extreme. They are the extreme measures that this Republican legislature has sent to her, basically asking her to veto it. And so she's not here because she wants to veto bills. She wants to continue the governing of Arizona, just as we do, but when it merits it, Democrats will stand strong and in defense of our rights, our liberties, and also the values we hold dear, and send that signal to the governor that you know we're with her when she when she's there, and needs



to veto a very extreme proposal. We're very optimistic for this session. I'm new as an minority leader for the Senate, and so I'm looking forward to working very closely with both the Governor and the Republicans to ensure that the business of the state is conducted, that we are able to continue the funding of the government, and so I'm hoping that this this session, is a new start and is a much more productive session

# Christopher Conover 29:28

that was Arizona Senate Minority Leader, Priya Sundareshan. And that's The Buzz for this week. You can find all our episodes online at azpm.org and subscribe to our show wherever you get your podcasts, just search for The Buzz Arizona. We're also on the NPR app. Zac Ziegler is our producer, with production help from Maggie Farmer, our music is by Enter the Haggis. I'm Christopher Conover, thanks for listening.

# Nicole Cox 30:12

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