

1 Brett W. Johnson (ASB #021527)
 Sara J. Agne (ASB #026950)
 2 Sarah E. Delaney (ASB #031722)
 SNELL & WILMER L.L.P.
 3 One Arizona Center
 400 E. Van Buren, Suite 1900
 4 Phoenix, Arizona 85004-2202
 Telephone: 602.382.6000
 5 bwjohnson@swlaw.com
sagne@swlaw.com
 6 sdelaney@swlaw.com
 Attorneys for Plaintiffs Arizona Chamber of
 7 Commerce & Industry, the Greater Phoenix
 Chamber of Commerce, the Tucson Hispanic
 8 Chamber of Commerce, and the Greater Flagstaff
 Chamber of Commerce
 9
 Timothy A. La Sota (ASB #020539)
 10 TIMOTHY A. LA SOTA, PLC
 2198 E. Camelback Road, Suite 305
 11 Phoenix, Arizona 85016
 Telephone: 602.515.2649
 12 tim@timlasota.com
 Attorneys for Plaintiffs Jane Ann Riddle, William
 13 L. Riddle, III, Valle Luna, Charlotte Chester, Ian
 McCarthy, and the Arizona Licensed Beverage
 14 Association

15 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA
 16 IN AND FOR THE COUNTY OF MARICOPA
 17

18 JANE ANN RIDDLE, an individual;
 19 WILLIAM L. RIDDLE, III, an individual;
 VALLE LUNA, an Arizona corporation;
 20 CHARLOTTE CHESTER, an individual;
 IAN McCARTHY, an individual; the
 21 ARIZONA CHAMBER OF COMMERCE
 & INDUSTRY, an Arizona non-profit
 22 corporation; the GREATER PHOENIX
 CHAMBER OF COMMERCE, an Arizona
 23 non-profit corporation; the TUCSON
 HISPANIC CHAMBER OF COMMERCE,
 24 an Arizona non-profit corporation; the
 GREATER FLAGSTAFF CHAMBER OF
 25 COMMERCE, an Arizona non-profit
 corporation; and the ARIZONA
 26 LICENSED BEVERAGE ASSOCIATION,
 an Arizona non-profit organization,

27 Plaintiffs,
 28

MICHAEL K. JEANES
 Clerk of the Superior Court
 By Alejandro Fimbres, Deputy
 Date 12/15/2016 Time 11:12:01

Description	Amount
CASE# CV2016-018092	
CIVIL NEW COMPLAINT	319.00
TOTAL AMOUNT	319.00
Receipt# 25635473	

No. CV 2016-018092

**PLAINTIFFS' JOINT VERIFIED
 COMPLAINT FOR SPECIAL
 ACTION**

(Special Action Petition for Injunctive
 Relief enjoining A.R.S. § 23-363 and
 23-371 through 23-381)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

v.

STATE OF ARIZONA; INDUSTRIAL COMMISSION OF ARIZONA, a public entity; DALE L. SCHULTZ, in his official capacity as a Commissioner for the Industrial Commission of Arizona; JOSEPH M. HENNELLY, JR., in his official capacity as a Commissioner for the Industrial Commission of Arizona; SCOTT P. LeMARR, in his official capacity as a Commissioner for the Industrial Commission of Arizona; ROBIN S. ORCHARD, in her official capacity as a Commissioner for the Industrial Commission of Arizona; ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM, a public entity; THOMAS J. BETLACH, in his official capacity as Director of the Arizona Health Care Cost Containment System; ARIZONA DEPARTMENT OF ADMINISTRATION, a public entity; CRAIG C. BROWN, in his official capacity as the Director of the Arizona Department of Administration, ARIZONA STATE PROCUREMENT OFFICE, a public entity; and ASHOKE SETH, in his official capacity as the State Procurement Administrator,

Defendants.

For their Joint Verified Complaint, Plaintiffs allege as follows:

PRELIMINARY STATEMENT

1. This is a challenge to the constitutionality of a proposition titled "The Fair Wages and Healthy Families Act" (the "Proposition") with the initiative serial number I-24-2016 provided by the Arizona Secretary of State, the application for which was filed on March 30, 2016, and approved by voters as Proposition 206 on November 8, 2016. An accurate copy of the Proposition is attached as Exhibit A.

2. This action seeks a Declaratory Judgment that the Proposition is unconstitutional because it violates the Revenue Source Rule in the Arizona Constitution (ARIZ. CONST. art. 9, § 23) by failing to include a revenue source for the Defendants' implementation of the new minimum wage rate and mandated paid sick leave regulations and enforcements and by failing to establish a revenue source for the related increase in

1 the necessary State's general funding required to fund the significant increases in
2 appropriations necessary to meet the State's government contracting and compliance with
3 Arizona Supreme Court orders and federal law obligations regarding AHCCCS.

4 3. The Proposition is also unconstitutional because it violates the Separate
5 Amendment Rule in the Arizona Constitution (ARIZ. CONST. art. 21, § 1) by containing
6 two separate and unrelated provisions – one gradually raises the Arizona minimum wage
7 starting January 1, 2017, and a second requires paid sick leave benefits for a segment of
8 the community. As the Legislature can only make minor modifications to voter-passed
9 initiatives under Ariz. Const. art 4, pt. 1, § 1(6)(C), these initiatives operate similarly to
10 constitutional amendments, and should be subject to the same constitutional requirements.

11 PARTIES

12 4. Plaintiff Jane Ann Riddle is a qualified elector and taxpayer in the State of
13 Arizona.

14 5. Plaintiff William L. Riddle, III is a qualified elector and taxpayer in the
15 State of Arizona.

16 6. Plaintiff Valle Luna, Inc., is a taxpaying Arizona corporation in good
17 standing. Valle Luna operates several restaurants throughout the metropolitan Phoenix
18 area. Plaintiffs Jane Ann Riddle and William L. Riddle, III are the sole owners and
19 corporate officers of Valle Luna, Inc.

20 7. Plaintiff Charlotte Chester is a qualified elector and taxpayer in the State of
21 Arizona. She is employed by Valle Luna, Inc.

22 8. Plaintiff Ian McCarthy is a qualified elector and taxpayer in the State of
23 Arizona. He is employed by Valle Luna, Inc.

24 9. Plaintiff Arizona Chamber of Commerce & Industry (the "Arizona
25 Chamber") is an Arizona non-profit corporation. Most Arizona Chamber members are
26 corporate taxpayers in the State of Arizona, and some of the members also provide
27 services to the Defendant State of Arizona through state contracts. Furthermore, other
28 members are subject to the hospital assessment to supplement federal Medicaid funding to

1 the Defendant Arizona Health Care Cost Containment System (AHCCCS) pursuant to
2 A.R.S. § 36-2901.08.

3 10. Plaintiff Greater Phoenix Chamber of Commerce (the "Phoenix Chamber")
4 is an Arizona non-profit corporation. Most Phoenix Chamber members are corporate
5 taxpayers in the State of Arizona. Some of the Phoenix Chamber members also provide
6 services to the Defendant State of Arizona through state contracts, and other members are
7 subject to the hospital assessment to supplement federal Medicaid funding to Defendant
8 AHCCCS pursuant to A.R.S. § 36-2901.08.

9 11. Plaintiff Tucson Hispanic Chamber of Commerce (the "Tucson Chamber")
10 is an Arizona non-profit corporation. Most Tucson Chamber members are corporate
11 taxpayers in the State of Arizona. Some of the Tucson Chamber members also provide
12 services to the Defendant State of Arizona through state contracts, and other members are
13 subject to the hospital assessment to supplement federal Medicaid funding to Defendant
14 AHCCCS pursuant to A.R.S. § 36-2901.08.

15 12. Plaintiff Greater Flagstaff Chamber of Commerce (the "Flagstaff Chamber")
16 is an Arizona non-profit corporation. Most Flagstaff Chamber members are corporate
17 taxpayers in the State of Arizona. Some of the Flagstaff Chamber members also provide
18 services to the Defendant State of Arizona through state contracts, and other members are
19 subject to the hospital assessment to supplement federal Medicaid funding to Defendant
20 AHCCCS pursuant to A.R.S. § 36-2901.08.

21 13. Plaintiff Arizona Licensed Beverage Association ("ALBA") is an Arizona
22 non-profit organization. The ALBA has over 600 member businesses that hold liquor
23 licenses issued by the State of Arizona. Most of these members are corporate taxpayers in
24 the State of Arizona.

25 14. Defendant State of Arizona is a body politic.

26 15. Defendant Industrial Commission of Arizona is a jural entity of the State of
27 Arizona and is tasked by the Proposition to enforce its requirements. *See* Amended A.R.S.
28 § 23-364.

1 16. Defendant Dale L. Schultz is a duly appointed Commissioner of Defendant
2 Industrial Commission of Arizona and is sued in his official capacity.

3 17. Defendant Joseph M. Hennelly, Jr. is a duly appointed Commissioner of
4 Defendant Industrial Commission of Arizona and is sued in his official capacity.

5 18. Defendant Scott P. LeMarr is a duly appointed Commissioner of Defendant
6 Industrial Commission of Arizona and is sued in his official capacity.

7 19. Defendant Robin S. Orchard is a duly appointed Commissioner of
8 Defendant Industrial Commission of Arizona and is sued in her official capacity.

9 20. Defendant AHCCCS is a jural entity of the State of Arizona tasked with
10 complying with federal laws and regulations concerning the grants paid by Medicaid, the
11 setting and collection of hospital assessments pursuant to A.R.S. § 36-2901.08, the
12 entering into and modification of cost-reimbursement state contracts for services, the
13 determination of allowable cost reimbursements for such services, and the direction of
14 payment for such services rendered.

15 21. Defendant Thomas J. Betlach is the appointed Director of Defendant of
16 AHCCCS and is sued in his official capacity.

17 22. Defendant Arizona Department of Administration (ADOA) is tasked with
18 procurement and management of all materials, services, and construction to be procured
19 by the state and the disposal of materials and is authorized to enter into contracts with
20 private parties.

21 23. Defendant Craig C. Brown, Director of ADOA, is a duly appointed official
22 and is sued in his official capacity.

23 24. Defendant Arizona State Procurement Office (SPO) is a division of
24 Defendant ADOA and serves as the central procurement authority for the State of
25 Arizona.

26 25. Defendant Ashoke Seth, State Procurement Administrator for the Defendant
27 SPO and the Deputy Director of ADOA, is a duly appointed official and is sued in his
28 official capacity.

JURISDICTION AND VENUE

1
2 26. This Court has jurisdiction and venue pursuant to Article 9, § 23 of the
3 Arizona Constitution; A.R.S. §§ 12-123, 12-1801, *et seq.*, 12-1831, *et seq.*; 12-2021, *et*
4 *seq.*, and Rule 4(a) of the Arizona Rules of Procedure for Special Actions.

5 27. A justiciable controversy exists because, without Court intervention, the
6 Defendants stands to violate under color of state law the rights of Plaintiffs under the
7 Arizona Constitution and Plaintiffs will suffer immediate and irreparable injury and loss
8 of rights.

9 28. This Court has personal jurisdiction over Defendants.

10 29. Venue is proper in Maricopa County pursuant to A.R.S. §12-401.

GENERAL ALLEGATIONS

11
12 30. The Proposition amends existing law and mandates an increase of the
13 Arizona minimum wage starting on January 1, 2017. *See* Amended A.R.S. § 23-363. The
14 Proposition requires an incremental increase of the hourly minimum wage over the next
15 several years, with the hourly minimum wage on January 1, 2020, rising to \$12 an hour
16 for non-tipped hourly employees, and \$9 an hour for tipped hourly employees. *Id.* After
17 2020, the minimum wage is indexed to the rate of inflation. *Id.*

18 31. Whereas the Proposition mandates one minimum wage for all employers,
19 the Proposition also creates a completely new statutory article that separately mandates
20 two unequal amounts of earned paid sick time based on the number of employees
21 employed by an employer. *See* A.R.S. § 23-372.

22 32. Unlike the mandated minimum wage, which is paid by an employer within a
23 set pay period for specific hours worked during that period by an employee, the
24 Proposition requires that employers allow employees to accumulate and accrue the
25 separate paid sick leave over the employee's entire term of employment. *Id.*

26 33. Unlike the minimum wage law that applies to all non-governmental
27 employees, the mandatory paid sick leave provisions also excludes such new benefits to
28 those employees covered by union collective bargaining agreements. *See* A.R.S. § 23-381.

1 34. The Proposition mandates that the minimum wage provisions go into effect
2 on January 1, 2017, whereas the separate and unrelated new paid sick leave provisions go
3 into effect on July 1, 2017. *See* Amended A.R.S. § 23-363, A.R.S. § 23-372.

4 35. Without providing a revenue source for necessary appropriations, the
5 Proposition mandates that the Industrial Commission establish mandated notices for use
6 by employers and is also mandated to create guidelines and regulations related to the new
7 paid sick leave provisions. *See* A.R.S. § 23-376. Upon information and belief, these
8 guidelines and regulations are completely new and separate from those relating to
9 minimum wage enforcement.

10 36. As set forth above, and in more detail below, the Proposition's provisions
11 embrace far too many subjects than allowed in a single ballot initiative.

12 37. The Proposition does not address the increased costs for Arizona businesses,
13 particularly for those with employees receiving tip income. Plaintiff Valle Luna has some
14 employees who will make less than the hourly tipped minimum wage, as it will be
15 mandated on January 1, 2017, unless implementation is stayed. Plaintiff Valle Luna will
16 be required to raise the wages of numerous employees who, when accounting for tip
17 income, already make more than the new minimum wage.

18 38. Similarly, Valle Luna also currently offers leave time for its employees to
19 take time off of work. The Proposition, however, would require Valle Luna to change its
20 leave policy in several ways. For example, it will shorten the time that an employee must
21 work at the company before he or she may begin using accrued leave time.

22 39. The increased costs imposed by the Proposition will cost Valle Luna over
23 \$400,000.00 in 2017 alone, with costs expected to continue to increase in future years.
24 These looming increased costs have forced Valle Luna to decide that it will wind up its
25 operations once its current leases expire, if the Proposition takes effect.

26 40. The Proposition also violates the Revenue Source Rule in Arizona's
27 Constitution. *See* ARIZ. CONST. art. 9, § 23.

28

1 41. Upon information and belief, Defendants State of Arizona, AHCCCS,
2 ADOA, and SPO currently are engaged as parties in extensive government contracts,
3 including with several members of the Arizona Chamber and Tucson Chamber. These
4 contracts require the State to pay or reimburse its vendors for the wages and benefits that
5 the vendors must pay their employees. The Proposition's mandatory application to these
6 state contracts will result in massive new expenditures to meet the State's new, more
7 expensive contractual obligations.

8 42. A.R.S. § 36-2903(M) mandates that Defendant AHCCCS comply with all
9 applicable federal regulations and grant requirements to ensure continued federal funding
10 for AHCCCS programs.

11 43. 42 Code of Federal Regulations (C.F.R.) § 447.200, *et seq.*, are the federal
12 regulations that require AHCCCS to ensure that any service provider payment is
13 economical and that AHCCCS maintain a service provider network to meet the needs of
14 those eligible to receive medical benefits under AHCCCS. Upon information and belief,
15 these federal regulations mandate Defendant AHCCCS to reimburse the costs for services
16 rendered by its approved service providers of at least minimum wage and for costs
17 associated with the paid sick leave provisions of the Proposition. A portion of such
18 funding, as increased pursuant to the Proposition, is appropriated from the General Fund.

19 44. Pursuant to federal regulation, Defendants State of Arizona and AHCCCS
20 have entered into a contract with the United States Government in regard to the
21 administration of the federal Medicaid grant program in Arizona. Upon information and
22 belief, the contract between AHCCCS and the United States Government is referred to as
23 the "State Plan" and, upon information and belief, it mandates that Defendant AHCCCS
24 guarantee that the payments to providers and caretakers are sufficient enough to ensure
25 enough providers to meet the needs of those eligible to receive medical benefits. A copy
26 of excerpts of the State Plan is attached as Exhibit B. Upon information and belief, this
27 contractual requirement mandates Defendant AHCCCS to reimburse costs of at least
28 minimum wage for services rendered and for costs associated with the paid sick leave

1 provisions of the Proposition. A portion of such funding, as now increased pursuant to the
2 Proposition, is appropriated from the General Fund.

3 45. Pursuant to *Arnold v. Ariz. Dep't of Health Servs.*, 160 Ariz. 593 (1989),
4 Defendants have a mandated duty to provide a treatment system that coordinates with all
5 available treatment services and resources, which includes the requirement to maintain a
6 medical network provider system pursuant to government contract to meet the needs of
7 such treatment, including care takers and employment opportunities for the
8 developmentally disabled. Upon information and belief, to meet the requirements
9 mandated by the Arizona Supreme Court, the Defendants are required to pay network
10 providers, caretakers, and developmentally disabled qualified participants the applicable
11 minimum wage. As recognized by the Arizona Supreme Court, the Arizona laws that
12 mandate such a system are paid for by appropriations from the General Fund.

13 46. On December 14, 2016, Defendant AHCCCS published a notice of public
14 information describing the proposed changes for its fee for service rates and related
15 capitation rate adjustments resulting from the implementation of the Proposition. A copy
16 of this notice is attached as Exhibit C. These proposed changes reflect Defendants' intent
17 to appropriate and pay for the "mandatory" compliance with pay and sick leave provisions
18 of the Proposition.

19 47. Pursuant to A.R.S. § 41-2531, Defendants State of Arizona, ADOA, SPO,
20 and AHCCCS, directly and through Chief Procurement Officers assigned to other
21 individual Arizona state agencies, are authorized to enter into cost-reimbursement
22 contracts with third-parties service providers.

23 48. Pursuant to A.A.C. § R2-7-C317, any state government cost-reimbursable
24 contract automatically authorizes costs that are allowable and reasonable. Pursuant to
25 A.A.C. § R2-7-701, the Defendants determine what costs are allowable by referencing
26 federal regulations, specifically 48 C.F.R. Part 31 (September 2001).

27 49. Pursuant to 48 C.F.R. § 31.205-6, the Defendants' cost-reimbursement of
28 minimum wages and any cost associated with the Proposition's paid sick leave provisions

1 to state government contractors is an automatic allowable cost. Upon information and
2 belief, the costs associated with the compliance of the Proposition by state government
3 contractors and the payment of increased wages and paid sick leave as authorized by the
4 Defendants related to such cost-reimbursement contracts primarily will be funded by
5 appropriations from the General Fund.

6 50. Upon information and belief, third-party government contractors with the
7 Defendants are seeking modifications of existing firm-fixed fee type government contracts
8 due to the fact that a significant and cardinal change to the scope and costs of the
9 government contract has occurred associated with implementation and application of the
10 Proposition. Upon information and belief, any costs associated with the compliance of the
11 Proposition by state government contractors and the payment of increased wages and paid
12 sick leave related to such changes to firm-fixed price government contracts will primarily
13 be funded by appropriations from the General Fund.

14 51. Upon information and belief, appropriations from the General Fund to meet
15 the governmental contract requirements for just Defendant AHCCCS and the Department
16 of Economic Security are approximately \$46.8 million for the remainder of this fiscal
17 year, let alone future fiscal years and the inclusion of cost increases paid from the General
18 Fund associated with other state agencies. *See Exhibit C; see also Exhibit D, B. Giles,*
19 *“State will provide emergency funds to offset minimum wage hike,” Capital Times (Dec.*
20 *14, 2016).*

21 FIRST CLAIM FOR RELIEF

22 **Declaratory and Injunctive Relief (A.R.S. §§ 12-1801, *et seq.*; 12-1831, *et seq.*)** 23 **Inadequate Self-Funding (violation of Ariz. Const. art. 9, § 23)**

24 52. Plaintiffs incorporate the allegations set forth above as if fully set forth
25 herein.

26 53. The Revenue Source Rule in Article IX, § 23 requires that “[a]n initiative or
27 referendum measure that proposes a mandatory expenditure of state revenues for any
28 purpose . . . must also provide for an increased source of revenues sufficient to cover the
entire immediate and future costs of the proposal.”

1 54. The Revenue Source Rule further requires that “[t]he increased revenues
2 may not be derived from the state general fund or reduce or cause a reduction in general
3 fund revenues.”

4 55. The Proposition does not have a mechanism to pay for the necessary
5 increased costs for the State associated with the payment of private government
6 contractors who are mandated to (1) pay their employees the increased minimum wage
7 and (2) provide the mandated paid sick leave. As a result, the Proposition will require the
8 immediate payment of reserve General Funds to meet the government cost requirements
9 and also require numerous state agencies to request increased financial appropriations
10 from the Legislature, resulting in the expenditure of revenues from the General Fund.

11 56. The Arizona Supreme Court has ruled that Revenue Source Rule challenges
12 must be considered after an initiative becomes law, to understand the actual financial
13 implications of the initiative. *See League of Ariz. Cities and Towns v. Brewer*, 213 Ariz.
14 557, 560-61 (2006).

15 57. The Proposition is not self-funded as required by the Revenue Source Rule,
16 which renders the Proposition unconstitutional in the following manner:

- 17 a. Mandates that Defendant Industrial Commission of Arizona create
18 mandated notices for use by employers and is also mandated to create
19 guidelines and regulations related to the new paid sick leave
20 provisions without an independent revenue source to take such
21 action.
- 22 b. Has the direct impact, pursuant to contract and the Arizona
23 Procurement Code, A.R.S. §§ 41-2501, *et seq.*, of immediately
24 increasing minimum wage and paid sick leave costs for services
25 associated with state government cost-reimbursement contracts and
26 other types of contracts, as modified, with service providers that are
27 paid from General Fund appropriations via approval of Defendants,
28 including ADOA and SPO.

1 c. Has the immediate direct impact, pursuant to contract and federal
2 regulation, of mandating an increase in minimum wage and paid sick
3 leave costs for medical providers and other services related to third-
4 party contracts and subcontracts administered and paid by Defendant
5 AHCCCS using General Fund appropriations. See Exhibits C and D.

6 58. The balance of equities and considerations of public policy strongly support
7 the issuance of injunctive relief.

8 59. Accordingly, the Plaintiffs seek declaratory relief establishing that
9 Proposition 206 violates the Arizona Constitution and an order enjoining its enforcement.

10 **SECOND CLAIM FOR RELIEF**

11 **Declaratory and Injunctive Relief (A.R.S. §§ 12-1801, et seq.; 12-1831, et seq.)**
12 **Violation of Separate Amendment Rule (violation of ARIZ. CONST. art. 21, § 1)**

13 60. Plaintiffs incorporate the allegations set forth above as if fully set forth
14 herein.

15 61. Ariz. Const. art. 21, § 1 provides, in part:

16 If more than one proposed amendment shall be submitted at
17 any election, such proposed amendments shall be submitted
18 in such manner that the electors may vote for or against such
19 proposed amendments separately.

20 62. The Separate Amendment Rule is designed to prevent the “pernicious
21 practice of ‘log-rolling’” unrelated topics up into one constitutional amendment so that
22 voters can express their separate opinions regarding each constitutional change.
23 *McLaughlin v. Bennett*, 225 Ariz. 351, 353-54, 238 P.3d 619, 621-22 (2010).

24 63. Although Arizona courts have not previously applied the Separate
25 Amendment Rule when addressing ballot measures for ordinary legislation,¹ it should
26 apply in this situation, given the strong constitutional protections for voter-passed
27 initiatives. Proposition 105, codified at Ariz. Const. art. 4, pt. 1, § 1(6)(C), prevents the
28 Legislature from amending a voter-approved initiative measure unless the modification

¹ See *Bentley v. Building Our Future*, 217 Ariz. 265, 271-72 (App. 2007).

1 "furthers the purposes of such measure" and is approved by at least three-fourths of the
2 members of each house. As a result, it is nearly – if not completely – impossible for any
3 changes to be made to the Proposition without a new ballot measure approved by the
4 voters, just like a constitutional amendment.

5 64. The Proposition fails to comply with the Separate Amendment Rule.
6 Instead, it cobbles together two separate and distinct matters – minimum wage for hours
7 worked, and paid sick leave time. These topics should have been addressed in two
8 separate ballot measures, rather than combined to encourage voters for one proposal to
9 accept changes in the other. This attempt to combine votes based on disparate provisions
10 is precisely what the Separate Amendment Rule is designed to prevent.

11 65. The balance of equities and considerations of public policy strongly support
12 the issuance of injunctive relief.

13 66. Accordingly, the Plaintiffs seek declaratory relief establishing that
14 Proposition 206 violates the Arizona Constitution and an order enjoining its enforcement.

15 REQUEST FOR RELIEF

16 WHEREFORE, Plaintiffs pray for:

17 A. A declaration pursuant to A.R.S. § 12-1831 that the Proposition violates
18 Article 9, § 23 of the Arizona Constitution.

19 B. A declaration pursuant to A.R.S. § 12-1831 that the Proposition violates
20 Article 21, § 1 of the Arizona Constitution.

21 C. An injunction pursuant to A.R.S. § 12-1801, Ariz. R. Civ. P. 65, and other
22 applicable law prohibiting Defendants from taking any action to implement or enforce the
23 Proposition, to modify existing state contracts to provide for an increase of costs
24 associated with government contractor compliance with the Proposition, or to appropriate
25 or pay public monies from the General Fund to reimburse costs associated with
26 compliance with the Proposition;

27 D. An order awarding Plaintiffs' attorney's fees and nontaxable expenses
28 incurred in this action under:

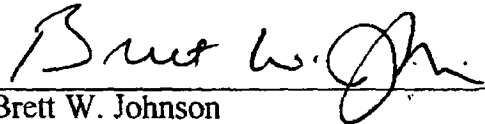
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1. the private attorney general doctrine as established in *Arnold v. Ariz. Dep't of Health Servs.*, 160 Ariz. 593 (1989), because the rights sought to be vindicated here benefit a large number of people, require private enforcement, and are of societal importance;
 2. A.R.S. § 12-348, and
 3. any other applicable law or common law authorizing the award of attorney's fees and nontaxable expenses to Plaintiffs.
- E. An order awarding Plaintiffs their taxable costs.
 - F. Such other relief as the Court deems necessary, equitable, proper, and just.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED this 15th day of December, 2016.

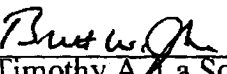
SNELL & WILMER L.L.P.

By: 

Brett W. Johnson
Sara J. Agne
Sarah E. Delaney
One Arizona Center
400 E. Van Buren, Suite 1900
Phoenix, Arizona 85004-2202

*Attorneys for Plaintiffs Arizona
Chamber of Commerce & Industry, the
Greater Phoenix Chamber of
Commerce, the Tucson Hispanic
Chamber of Commerce, and the
Greater Flagstaff Chamber of
Commerce*

TIMOTHY A. LA SOTA, PLC

By:  *with permission for*
Timothy A. La Sota
2198 E. Camelback Road, Suite 305
Phoenix, Arizona 85016

*Attorneys for Plaintiffs Jane Ann
Riddle, William L. Riddle, III, Valle
Luna, Charlotte Chester, Ian McCarthy,
and the Arizona Licensed Beverage
Association*