



OFFICE OF THE GOVERNOR  
**KATIE HOBBS**

June 28, 2024

*Via Email and U.S. Mail*

The Honorable David Rhodes  
Yavapai County Sheriff  
President, Arizona Sheriff's Association  
Yavapai County Sheriff's Office  
255 E Gurley St  
Prescott, AZ 86301-3803

Chief Ken Cost  
Police Chief, Mesa Police Department  
President, AZ Association of Chiefs of Police  
Mesa Police Department  
PO Box 1466  
Mesa, AZ 85211-1466

Sheriff Rhodes and Chief Cost,

The Governor's Office learned yesterday that you and many, if not all, of the law enforcement agencies that you represent received a letter from the Attorney General's Office (each, an "**AG Letter**") earlier this week regarding the Anti-Racketeering Revolving Fund ("**ARRF**"). The AG Letter noted that the recently passed State budget transferred \$10 million from the ARRF to the State's General Fund and asserted that the Attorney General had, in response, made the unilateral decision to reduce the amount of ARRF funds available to each agency.

We were surprised by the Attorney General's decision because, in addition to being illegal, it appears to have been made without all of the facts. Had the Attorney General's Office consulted with our Office about the AG Letter, we would have explained that **we have made arrangements to ensure that your ARRF funds will be available whenever you seek to access them.** The same is true for each of the other agencies with any amount in the ARRF. Any disruption that the AG Letter has caused is unfortunate.

In the process of formulating this year's State budget, both my staff and the budgeting staff at the legislature sought to identify funds that consistently carry balances from year to year that could be partially transferred to balance the budget without disrupting the purpose for which those funds exist. The ARRF historically includes a balance well in excess of the distributions made from it in any given fiscal year. Accordingly, the budget signed into law included a transfer from the ARRF Pass-Through Account of \$10 million.

However, to protect the interests of local law enforcement stakeholders, we have set aside other funds outside of the budget process to ensure that we will be able to replenish the ARRF as necessary so that any agency that applies for a distribution in accordance with A.R.S. § 13-2314.01 will receive it. In the unlikely event that the ARRF Pass Through Account is nearing exhaustion in the coming fiscal year, we will make sufficient alternative funds available to ensure that no distribution will be reduced as a result of the fund transfer.

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Based on this information, we hope that you and your members can rest assured that your ARRF funds will be available at the time that you need them, notwithstanding any contrary statement in the AG Letter. Please note that A.R.S. § 13-2314.01(E) requires that any funds in the ARRF contributed by an agency “*shall* be distributed within thirty days after application” for such funds by the agency so long as the application specifies that the requested funds will be used for an allowable purpose. In light of this statute, the Attorney General’s Office has no authority to proportionally reduce the amount of ARRF funds available to you or your members as it purported to do in the AG Letters.

Please do not hesitate to contact our Office if you have any questions or concerns and please continue to request ARRF funds as you normally would. Thank you for your continued dedication to the safety of the people of Arizona.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sarah Brown".

Sarah Brown  
Director, Office of Strategic Planning & Budgeting  
Office of Governor Katie Hobbs

Cc: Jen Marson, Executive Director, Arizona Sheriff’s Association (*via email*)  
Roxie Heussner, Executive Director, Arizona Association of Chiefs of Police (*via email*)