

The Gaggle - Ben Toma

Ron Hansen [00:00:02] Arizona's state government has a budget shortfall and competing visions for what it should be doing on education, water and economic development, just to name a few things. Ben Toma, the speaker of the House, presides over a narrowly divided chamber and will help juggle the state's policy agenda. The Republican from Glendale arrived at the legislature in 2017 and is running for the West Valley congressional seat being vacated by Republican Debbie Lasko, who's retiring from Congress. Welcome to The Gaggle, an Arizona politics podcast by The Arizona Republic and AZ central.com. I'm your host, Ron Hansen. I cover national politics for the Republic. Mary Jo Pitzl is out this week. Joining us today in the studio is House Speaker Ben Toma to offer his thoughts on where things stand and where they should be heading. Last month, The Gaggle talked to the Republican and Democratic leaders of the state Senate. The Democratic leader in the House has declined our requests for an interview. Speaker Toma, welcome to The Gaggle.

Ben Toma [00:01:16] Thank you. Appreciate it.

Ron Hansen [00:01:17] You've got a lot going on these days. There's a legislative session, a budget shortfall to work through, and. Oh, yeah, you're running for Congress, too. I want to start with Congress. Give our listeners your elevator pitch.

Ben Toma [00:01:31] As you no doubt know, Representative Debbie Lesko has decided not to run for reelection in CD 8. And she's been our congresswoman for the last, uh, what is it, 5 or 6 years now? You know, I've always lived in that district. Uh, I'm the only one of the top tier candidates that does live in that district. And she called and asked me to consider running for that seat. I initially was not thinking about that, to be perfectly honest with you, but, um, I see the need. We need people in DC that are willing to roll up their sleeves and actually tackle some of these issues. I mean, just the border situation, for example, it's on the verge of dangerous now. It's gone past that actually. And yet there seem to be people there more interested in self-promotion and, uh, throwing bombs at each other and at their own party and at the other party and everyone, instead of actually figuring out a way to tackle some of these issues and get things done. So we need someone that that as a result, someone that can represent the district. And I've decided to step up. So thank you for asking.

Ron Hansen [00:02:27] You've gotten the endorsement of the incumbent retiring Congresswoman Debbie Lesko and from former Senator Jon Kyl, a Republican, as well. The endorsement everyone notices, of course, is former President Donald Trump's endorsement. He has gone with Abe Hamadeh. Why should Republican voters ignore Trump and go with you instead?

Ben Toma [00:02:49] Well, in my experience, politics are local. First and foremost, you know, again, I've lived in that district since we moved to Arizona in, uh, in uh, 1996 when I was 17 years old. So started in Glendale, moved to Peoria. Um, now I'm back in Glendale, but basically they're that district. And again, I think the district and the members of that district and those that vote at the end of the day, want someone that can get things done, not someone that's willing to jump anywhere, run for anything just because they want to be in DC. I'll admit to you, I don't want to be in DC, and that's the first thing. That's actually the reason that you want me there, because I'm there to solve a problem up there, because I want to be there, and I want to be important. And my colleagues will tell you the same thing at the state House. I'm rarely the one to speak on the floor or on an issue. What I'm

busy doing is behind the scenes working to actually solve the problem. So part of the problem is that we have, again, perhaps in the in the world of social media, you have these sort of perverse incentives to continue to vote for or to notice those that are loud. But it's not those that are loud that are influential, it's those that actually get the work done. So I think it's local, you know, uh, among other influential endorsements that haven't even been actually, uh, public yet. Our former governor, Jan Brewer, has also endorsed she lives in that district, and she's been in that district for a very long time. And these are all respected people that are respected by the district itself. And nothing against, um, the President Trump. But at the end of the day, this is a local issue.

Ron Hansen [00:04:12] You mentioned the border situation as one thing that is certainly in the federal purview. What other priorities would you have if you were to get the Congress?

Ben Toma [00:04:22] Look, the fiscal outlook for our country is dire at this point. If we're not enjoying the current situation with out of control inflation or nearly out of control inflation, uh, it's going to get a whole lot worse when when we can no longer pay our bills, when we can no longer take care of Social Security or cover the cost of Medicare and some of those other entitlements that are out there, and these are promises that we've made to people. So we have to figure out, we have to get our financial house in order. We can't keep printing money and not expect it to bite us again if we think it's bad. Now, what do you think it's going to look like in 5 or 10 years when the bills come due on some of these issues? We can't we can't keep borrowing. We have to start making structural changes that are going to solve the problem long term. So a lot of it is financial. And I can't say that I understand all of it just yet, but I can tell you that that no one's going to do a better job of learning those issues and finding a way to tackle them, than I will.

Ron Hansen [00:05:15] Let's turn to your day job. The state has a smallish budget shortfall in the outlook for the state's next budget. Year isn't as good as it was a year ago. How do you want to see the state get its budget back in balance?

Ben Toma [00:05:30] I'm glad you categorized it that way. It is smallish. I mean, all things considered, we're talking about maybe 5% over the over the fiscal year 24 and 25. Uh, actually, the outlook is already good in 26. So structurally, we're in a really good place. Uh, remember, we've invented our economy since the Great Recession. As most of your listeners probably know, the Arizona economy at the time was, was, um, employment issue or issues were were all related to residential construction. Back then, something like 25 to 30% of our economy was driven by that. Now, it may not even be in the top ten anymore. So we've changed our economy. We're in a much, much better place. It's an opportunity for us to do what what any good business person will do. Uh, or any good, uh, small business owner or large business owner for that matter, will do, which is to to take a look at the organization and figure out ways to make it more efficient. Uh, for this next, um, year and a half, if you will, of, uh, of the budget year. And after that, as I said before, the outlook is actually positive. So where there are things we can do, there are things we can delay, there are things we can reprioritize. And again, overall, less than 5% impact for a short period of time. It's just an opportunity for us to get better.

Ron Hansen [00:06:41] Can you be specific about some of the things that you think could be delayed or rearranged in terms of what substantively that means? Is there any program area? Is there any sort of broad, uh, approach to this that you would recommend and want to see used by the state?

Ben Toma [00:06:59] So we've had, uh, as you may remember, last year when we passed the budget, we had, uh, quite a few one time investments. And the reason it was one time is because we realized that ongoing, uh, we didn't want to make commitments that that would have made our budget structurally imbalanced. And so we had quite a few investments that were infrastructure related, as one example, that we can delay, perhaps, uh, that we can some of them. It turns out maybe that, uh, we might be able to reprioritize altogether and switch to doing something else with those monies. And we're talking somewhere around, uh, \$1 billion of just that from last year's budget. So that's just one example. But there are similar type of projects that were done even in the fiscal year prior to that, which was, you know, two years ago now with the budget that fall into that same bucket. There are some agency savings as well. There are lots of, um, positions that have never been filled that were funded. And that money can be again, reprioritize a little bit or perhaps delayed or pushed down to next year, uh, so that all of this is on the table. At the end of the day, it's going to come down to what can we get 3116 and want to agree to. And we all know we have to, because that's the one thing we have to do every year is to pass a budget. So I think cooler heads will prevail, much like they have up to this point.

Ron Hansen [00:08:13] You have to answer for the 31, the Senate will deal with the 16. But then there's the one. Governor Katie Hobbs has not been shy about wielding her veto stamp. You guys were able to shake hands on a budget relatively early in the session last year, and I think everyone emerged from that feeling pretty okay with the way it turned out. Do you think you can get on the same page right now as it relates to trimming the budget and moving forward with the next budget?

Ben Toma [00:08:43] I hope so, unlike the federal government that we were talking about earlier. We can't spend money we don't have, and at the end of the day, it has to be a structurally balanced budget. So because that is the case, I think once we all acknowledge what the dollar amount is, which, uh, now math is math at the at the end of the day, we're going to have to acknowledge that the numbers are what they are. And once we do that, then I do have hope that we'll be able to do it, uh, perhaps even quicker from a budget perspective than than we did last year. Now that there's been that established, uh, trust and precedent.

Ron Hansen [00:09:17] It's worth noting that the national economy continues to add jobs. And you cited inflation, but it is coming down. The stock market has been generally good for quite a while now. So why did Arizona move from a \$2.5 billion surplus into a shortfall at all?

Ben Toma [00:09:36] Well, we as you probably know, um, there there was quite a bit of an influx of, um, dollars from the federal government. Much of it was Covid related. And, uh, and so whenever that happens, whenever there are quite a quite a few dollars one, it contributes to inflation, which we know all about, but to it they tend to get spent. And so once they're spent, many of them result in new programs that that continue to be funded. Uh, so in short, we we've spent and now we need to dial that back a little bit and allow the, the economy and allow the, the revenue to catch up to the spending that, uh, that we've done. Uh, also, we now have a flat tax which um, on the income tax side, which, which is actually very important. And, and the narrative there is sort of the most obvious is would be the point of attack would be that, well, you've cut taxes. And so that's the issue. But I just like to point out that we actually have more revenue, especially if you look in 26 than we've ever had. So it's not about. It's about the fact that that has actually been offset largely, and even more so in a positive way, by BI, by the attraction of so many employers to the state and so many, um, so many businesses that have moved here of all sizes. Uh, obviously

everyone's familiar with the big boys, uh, when they come because they all make the headlines. But with every one of those, there are hundreds of smaller companies that come in some cases because they're suppliers to those same companies, in some cases, just because they realize, hey, if they're moving to Arizona, maybe there's something there. And as things get continuously worse, remote perspective in places like California and, um, the West Coast in general, also Chicago, places like that, you're going to see more and more of that. Those people moving here, which actually contributes to our bottom line.

Ron Hansen [00:11:14] What role has the expansion of the voucher style program and education played in any of the budget outlook?

Ben Toma [00:11:22] I would argue that zero and you don't have to take my word for it. You actually have to look at the K-12 budget line. So remember that state legislatures job is to make sure that we provide education opportunities to, to and cover the cost to all of our K-12 students in the state. And we've done that. So when you look at the total K-12 budget line, which is what the state legislature is tasked with doing, making sure that that's funded adequately, then that is actually under budget, slightly for the year. Now, parents have made choices now because they have that opportunity to do so. They've made choices within that. How whether or not they choose to send their child to, say, a traditional public school or to a public charter, or now to other options that the ESA may have made available. But. In total. The total effect is that we've actually stayed under budget for K 12, even though we've increased it, but we stayed within our budget. So I think there's been some, uh, uh, some confusion perhaps let's use that word confusion, perhaps in terms of, in terms of what the total cost of the ESA program is. Yes. It's higher than it's been because more and more parents are choosing it. But from a state financial perspective, it's actually a good thing. And it saves the state money when a child switches from, say, a public charter or from a public district school to, um, in, in mass anyway, to a 20 or so.

Ron Hansen [00:12:43] I know that's an issue you care about a great deal had a major hand in shaping it the way that it is. How do you assess the program and how it is working out at this point, especially in light of some of the reports on how some of the moneys have been spent on that? Do you think this program is where you wanted it to be?

Ben Toma [00:13:00] Look, I think any system can be improved in general, no matter what that system is. But I would say I'm very pleased with where this program is. I mean, consider the fact that we're talking about even according to those that that let's just say, have a vendetta against it. The truth is, we're talking about less than 2% of the funds that have been identified as potentially, you know, misused in some way when you're looking at some of those similar programs that say, a district, uh, public school, even just the the, the Low-Income, uh, the food program is something like 12 or 13% misuse and fraud and abuse in that program. So when you're actually looking at it, then you're comparing apples to apples. It's gone very well. Now it is new because it's new. There are always some growing pains, and it's expanded quite rapidly, as you no doubt know, it went from somewhere around, uh, 10 to 11,000 kids on the program in about a year. Now, a little over a year. It's now 70,000 plus. And so it's grown quite a bit. And so because of that, they're growing pains. You know, it's just people are getting used to it. Parents are getting used to it. The state's going working through some issues as well. At the end of the day though, it's been a smashing success. And you don't have to take my word for it. Take the fact that parents, so many parents have chosen.

Ron Hansen [00:14:12] You led a committee that was looking for suggestions on the voucher style program. Um, committee produced no recommendations. As I understand it, you're the lawmaker who made this program happen perhaps more than anybody else. And this has been years in the making as the state pulls in its budget a bit. Is this an area that needs any adjustment financially? And you've also referred to growing pains. Are there any things, just structurally, how it works that you think are appropriate for the near term?

Ben Toma [00:14:43] I think, uh, when, uh, when looking at the ESR program in particular, if anything, we should be considering making further investments in that program. Uh, because again, from a financial standpoint is a very good thing for the state. And again, it's been hugely popular among parents. So it's kind of a win win. Now, I understand that it's, uh, it's a Partizan issue at the Capitol, but among parents it's not of all parties. Overwhelmingly parents want these choices. So I don't think that there's any reality, uh, there's any situation in which you're going to see any cuts to the TSA program or to the limitations to it. That said, I'm always open to personally that it's I'm always open to to improvements, as I said before, because any system can be improved and um, uh, and if and if such improvements come forward that, that I'm unaware of now, uh, more than happy to have that discussion with anyone that, uh, that brings it forward.

Ron Hansen [00:15:36] Apart from the budget issues, there is just legislation in general that can be pursued that may or may not have a financial impact. Is there anything that is a legislative priority for you or for your caucus at this point that you think is especially important or, uh, constituents ought to know about right now, that from your perspective, this is where the state should be heading?

Ben Toma [00:15:58] Well, there are a number of issues that we do have to look at for this coming session. And one example that's near and dear to me is, uh, the housing situation. For the first time ever, we're above the median price for for housing in the United States in the Phoenix metro area. And that's not a good thing. It's especially not a good thing for entry level homebuyers that really don't have options anymore that they did before, but they don't have options anymore. I don't know. Of course, that coupled with the fact that interest rates have increased and it's not easy to get a loan, you have to prove your income, all that stuff that it's very different than perhaps in years past. So that's an area we really have to look at. In addition to that, and in some ways tied to it is the water conversation, which I'm sure you've heard about. But part of that situation has been that now it's limited the growth sort of outside of the traditional metro area and kind of on the fringes of it, which has also driven up cost because, uh, well, not to get into the economics of home building. Uh, we'll leave that to be a future discussion. How about that? But that's a serious problem. We're going to have to figure that out.

Ron Hansen [00:17:02] So these are issues that seem to have special resonance for. Of the West Valley where you are located in particular. Your constituents are feeling this as much as anybody. Can you be specific about what you mean by this? What role does the state have? As it relates to affordable housing or increasing housing stock? And what would you like to see the state do as it relates to water policy?

Ben Toma [00:17:27] Well, starting with the water policy part. There are certain things that I think we can do and start looking at. For example, you know, so much of the water used in Arizona is used for agriculture, and that's a great thing. I'm 100% supportive of the ag groups out there. But some of the incentives are are perhaps not quite right. And some of the limitations in water water law are not quite right. For example, the Senate president

talks about this a lot about the fact that farmers are incented to use all of their allotted water, and if they don't, they lose it. They lose that. Right? And so they have every incentive to to not get efficient, to not do any sort of improvements overall and to not not even think about transferring the use of that water or their rights or anything like that. So long term, that's not a good place to be, especially when we know that things are changing a little bit. That's one, one thing. And on the housing side, to get to get to that for a moment, look, arch, part of the problem has been and we said we weren't going to get into home building, but I'm about to is that it takes too long now to go from from purchasing a piece of property, you know, raw desert somewhere on the edge of a, of a development and turn it into a full blown housing development where houses are built and you can have the keys over to, to a couple starting out that, that it just bought the house. Right. It takes way too long. It takes over four years now in some cases longer to to get that done. That can't be that. That's not sustainable economically. We don't know what's going to happen in four years. It used to take less than a year, or it could take as little as less than a year. Now it takes two. It takes too long. So if there's ways for us to streamline, perhaps even work with the local municipalities, the county, whoever it is that's doing the permitting, um, maybe reduce some of the required permitting, the number of permits necessary to get something done, maybe streamline the whole process and work with them to do that. Maybe some of it is state law. Some of it is is local and regulation of some kind. All of those need to be on the table, and we need to figure out a way to get this streamline and get to happen much, much faster. And then you're going to see people willing to invest, because it's one thing to go to investors and say, hey, we need to invest X number of dollars into this particular piece of property, and we're going to be out and we're going to sell our first home in a year, versus we're going to invest the same amount of dollars. And we may be able to sell our first time in four years. And by the way, nobody has a clue economically what's going to happen in four years.

Ron Hansen [00:19:51] You also need a partner in all of this in the governor. What is your relationship like with Governor Hobbs, and does she share your vision for policy areas like water or housing and such? Speak in personal terms and just as a partner in working.

Ben Toma [00:20:11] Well, I don't think it's a stretch or a surprise to say that, um, that as a general rule, we see many things differently from a economic, economic standpoint in the state. My personal I can't speak for her, but I can tell you that my personal goal has been, um, ever since I got the role of speaker has been to protect the decade plus of Republican policies in place that have made this a state that people want to move to, and the fact that our doors are swinging in and not out. That is to say, people are coming in by the hundreds, uh, per day is testament to the fact that it's better to be here than wherever it is that they came from. Uh, so I want to protect that. I want to protect that. And I and I think that's good for us long term. And it's good for opportunities for everybody long term sort of politics aside, in terms of, uh, personal relationship. Again, at the end of the day, I think cooler heads have prevailed. We've realized that we have certain differences. We're going to see things differently. But there's certain things we have to get agreement on to get across the finish line. The most obvious, of course, is the budget, because that's the one thing we can't get out of session without doing, without addressing. And it's a good thing, actually. It's a it's a good thing that we do that every year and that we're forced to come to agreement. I think this year will be no different. We'll end up somewhere and we'll end up with agreement. Um, 31, 16 and one at a minimum will agree. And we're going to we're going to do our duty.

Ron Hansen [00:21:36] Very good. We'll. Speaker Ben Toma, thank you so much for coming in and sharing your views. If our listeners want to follow your progress on these

issues and thoughts on politics and other matters, where can they find you online or on social media?

Ben Toma [00:21:50] So on exits that rep Ben Toma and uh, online it's just Ben toma.com. There's also, uh, the Facebook page. And of course we have the Arizona House Republicans also on Twitter and or X. I keep calling it Twitter. And uh, so that's out. Those are all great places to to fall.

Ron Hansen [00:22:10] Thanks so much.

Ben Toma [00:22:10] Thank you.

Ron Hansen [00:22:15] That is it for this week gaggle listeners. Do you have questions about today's episode or topics you'd like us to cover on the show in the future? Send us a message at (602) 444-0804, or a voice memo to The Gaggle at Arizona Republic Aecom. That's all. One word, all spelled out. This episode was edited and produced by Kaely Monahan and Amanda Luberto. Our news direction is led by Kathy Tula mallow. The Gaggle soundtrack comes from Universal Production Music. Never miss an episode of The Gaggle by subscribing to us wherever you listen. If you learned something new today, be sure to share this episode with a friend. You can also leave us a review and rate of five stars. You can follow The Gaggle on social media at A-Z podcasts. I'm at Ronald J. Hansen. The Gaggle is an Arizona Republic and azcentral.com production. Thanks again for listening. We'll see you next week.