



MARK BRNOVICH
ATTORNEY GENERAL

OFFICE OF THE ATTORNEY GENERAL
STATE OF ARIZONA

January 19, 2022

Janet Yellen
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Yellen,

On January 14, 2022, Acting Deputy Chief Compliance Officer Kathleen B. Victorino threatened to take action against the State of Arizona if we do not conform certain educational policies in conjunction with the Coronavirus State and Local Fiscal Recovery Funds. As our office has previously pointed out to the U.S. Department of the Treasury, as well as to a handful of other federal departments, we will not be intimidated by the heavy-hand of the Biden Administration forcing Arizona to comply with ambiguous and unrealistic national standards created and "enforced" by federal bureaucrats.

This letter closely resembles a case currently working its way through the federal court system, dealing with the Tax Mandate portion of the American Rescue Plan. As you know full well, Arizona filed a lawsuit against the U.S. Department of Treasury and federal officials, challenging the Tax Mandate because it threatens to penalize states by withholding federal COVID-19 relief funding if they lower taxes in any fashion. We believe that this mandate is unconstitutional and threatens state sovereignty.

Madam Secretary, the states created the federal government, not the other way around. Unfortunately, members of the Biden Administration have continuously ignored this fundamental principle of our great nation when proposing and enacting bureaucratic mandates and harmful regulations upon individual states. Other states and state officials may not push back against federal overreach, but rest assured, my office will fight every day to defend Arizona's sovereignty and the cherished constitutional liberties of our constituents.

It shouldn't surprise anyone that the U.S. Department of Treasury, under your leadership, is again trying to overstep its constitutional bounds and dictate to Arizona how our state should

run and fund our schools. Arizonans believe that educational policies are best set locally, and that parents should control the policies and curriculum that govern how our children are educated. We believe that Washington D.C. must respect the Ninth and Tenth Amendments to the U.S. Constitution, allowing states to govern the issues not delegated to the federal government.

We call on the U.S. Department of the Treasury to rescind its January 14th letter and threats to withhold funds from Arizona. If it does not, our office is ready to take appropriate action in the courtroom to defend our state from this blatant federal encroachment.

Sincerely,

A handwritten signature in blue ink that reads "Mark Brnovich". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Mark Brnovich
Attorney General