



NEWS RELEASE

Arizona House of Representatives

Representative Matt Gress (R-4)

1700 West Washington • Phoenix, Arizona • 85007

Thursday, June 6, 2024

FOR IMMEDIATE RELEASE

State Representative Matt Gress: Auditor General Ready to Assist County Attorney in Probing Potential Illegal Actions Involving Sunshine Residential Homes & Governor Hobbs

STATE CAPITOL, PHOENIX – In a letter sent today, State Representative Matt Gress, Chairman of the Joint Legislative Audit Committee, states that the Auditor General's Office stands ready to partner with Maricopa County Attorney Rachel Mitchell in getting the facts about potential illegal activities involving Sunshine Residential Homes, Inc. and Governor Katie Hobbs. This follows a [detailed investigative report](#) published Wednesday by *The Arizona Republic* outlining extensive and eyebrow-raising financial and political connections between the group home provider and the Governor.

Given Sunshine's average performance and involvement in past controversies, including the death of 9-year-old Jakob Blodgett, I was shocked to learn in the article that the Department of Child Safety increased Sunshine's rates by 60%. No other group home provider has received a rate increase during Hobbs' tenure despite requests from providers. None is paid as much per day than Sunshine.

Yesterday, Senator T.J. Shope sent you a letter outlining five potential violations of state law, including bribery, fraud, improper procurement, conflicts of interest, and illegal expenditure of state monies.

In my capacity as chairman of the Joint Legislative Audit Committee, I want you to know that the Auditor General's Office stands ready to partner with you in getting the facts about this troubling matter. Make no mistake, we will allocate the resources the Auditor General needs to help restore what appears to be a major breach of trust in our government.

It's unfortunate that your office's time and resources must be spent looking into these allegations, but they are serious and warrant a thorough investigation.

Representative Gress' entire letter is attached.

Matt Gress is a Republican member of the Arizona House of Representatives serving Legislative District 4 in Phoenix. He is Chairman of the Joint Legislative Audit Committee. Follow him on X/Twitter at @MatthewGress.

###

MATT GRESS
1700 WEST WASHINGTON, SUITE H
PHOENIX, ARIZONA 85007-2844
CAPITOL PHONE: (602) 926-4105
TOLL FREE: 1-800-352-8404
mgress@azleg.gov



COMMITTEES:
COMMERCE
HEALTH & HUMAN SERVICES

JOINT LEGISLATIVE AUDIT
COMMITTEE
Chairman 2024

DISTRICT 4

Arizona House of Representatives

Phoenix, Arizona 85007

Sent via Email and U.S. Mail

June 6, 2024

Maricopa County Attorney Rachel Mitchell
Maricopa County Attorney's Office
225 West Madison Street
Phoenix, Arizona 85003

Dear County Attorney Mitchell,

I write to you with deep concern about potentially illegal actions reported on June 5, 2024 in *The Arizona Republic*.¹ The investigative reporting by Ms. Stacey Barchenger outlines timelines, contracts, communications, and social media posts that reveal an extensive interconnected web of financial and political relationships between Sunshine Residential Homes, Inc. ("Sunshine") and Governor Katie Hobbs.

Given Sunshine's average performance and involvement in past controversies, including the death of 9-year-old Jakob Blodgett, I was shocked to learn in the article that the Department of Child Safety increased Sunshine's rates by 60%. No other group home provider has received a rate increase during Hobbs' tenure despite requests from providers. None is paid as much per day than Sunshine.

Yesterday, Senator T.J. Shope sent you a letter outlining five potential violations of state law, including bribery, fraud, improper procurement, conflicts of interest, and illegal expenditure of state monies.

In my capacity as chairman of the Joint Legislative Audit Committee, I want you to know that the Auditor General's Office stands ready to partner with you in getting the facts about this troubling matter. Make no mistake, we will allocate the resources the Auditor General needs to help restore what appears to be a major breach of trust in our government.

It's unfortunate that your office's time and resources must be spent looking into these allegations, but they are serious and warrant a thorough investigation.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Gress".

Matt Gress
State Representative - Legislative District 4
Arizona House of Representatives
Chairman 2024 | Joint Legislative Audit Committee

¹ See "[This Arizona group home donated \\$400000 to Gov. Katie Hobbs, Democrats and got more state money.](#)" *The Arizona Republic*, June, 5, 2024.