



County Supervisors ASSOCIATION of arizona

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COUNTY SUPERVISORS ASSOCIATION LEGISLATIVE POLICY COMMITTEE

AGENDA

May 4, 2012

Teleconference 1-866-228-9900

Access Code 326208#

[Web link](#)

County Supervisors Association

1905 W. Washington St.

Phoenix, AZ

9:00 a.m. Call to Order ~ *Immediate Past President David Tenney*

- A) Approval of the Minutes of the April 27, 2012, Legislative Policy Committee Meeting
- B) Budget Negotiations Update / *Sine Die* Update
- C) Legislative Bills for Discussion
 - 1) [HB 2018](#): missing child; reporting; offense (*Ugenti*)
 - 2) [HB 2826](#): consolidated election dates; political subdivisions (*Ugenti*)
 - 3) [HCR 2060](#): retirement benefits; public employees (*Kavanagh*)
 - 4) [HB 2815](#): employment; incentives; regulatory tax credit (*Mesnard*)
 - 5) [SB 1442](#): prime contracting; manufacturing facilities; infrastructure (*Yarbrough*)
 - 6) [SB 1449](#): recall; primary; general election (*Smith*)
- D) Update of CSA-sponsored Bills
 - 1) [HB 2360](#): flood control districts; immunity (*Fann*)
 - 2) [HB 2389](#): lease of county property; requirements (*Pratt*)
 - 3) [HB 2651](#): road enhancement improvement districts (*Burges*)
 - 4) [HB 2658](#): flood control authority; relinquishment; districts (*Pratt*)
- E) Other Business
- F) Next Meeting Date and Time (*Friday, May 11, 2012, OR To Be Determined*)
- G) Adjourn

FY2012-2013 State Budget: County Impacts

During the budget process identical budget bills are introduced in both the House and Senate chambers. The links in this document are to both of those bills. Please note as these bills are newly engrossed and the section numbers for each provision will be included in the final draft of this document.

<u>Budget Provision</u>	<u>Reference</u>
<u>Prison shift:</u> Repeals Triggered shift, from last year’s budget, SB1621.	HB2860/ SB1531
<u>Mandated county cash contributions</u> – Eliminated.	N/A
<u>HURF to MVD:</u> Eliminates the shift from HURF to MVD for FY2012-FY2013 as well as the small counties hold harmless provision, due to the elimination.	HB2855/ SB1526
<u>HURF to DPS:</u> Continues the transfer from HURF to DPS and withstands the statutory cap removal.	HB2852/ SB1523
<u>SVP/RTC Payments:</u> Continues county payments for 100% of RTC patients and 50% of SVPs housed at the AZ State Hospital. Includes "flexibility language" allowing the counties to pay through any county resource.	HB2857/ SB1528
<u>County Attorneys Fund:</u> Provides \$973,600 of ACJC grant monies.	HB2852/ SB1523
<u>Diversion of the Indigent Defense Fund:</u> Diverts the State Indigent Defense Fund to the GIITEM Fund Border Security and Law Enforcement Subaccount.	HB2860/ SB1531
<u>Law Enforcement Boating Safety Fund (LEBSF):</u> Appropriates funds to be used for LEBSF by the counties in the amount of \$2,183,800.	HB2852/ SB1523
<u>Justice of the Peace salaries:</u> Maintains the 80.75% county share.	HB2860/ SB1531
<u>Suspension of County Non-Supplanting Funding Requirements:</u> Suspends county non-supplanting requirements associated with funding for probation services, criminal case processing, and alternative dispute resolution programs.	HB2860/ SB1531
<u>Suspension of Grand Jury and Attorney Reimbursement:</u> Suspends the requirement that the Supreme Court reimburse counties 50% of the costs of grand juries and state-funded counsel assigned to first-time capital post-conviction relief proceedings.	HB2860/ SB1531
<u>State Capitol Post-Conviction Public Defenders Office:</u> Eliminates the Capital Post-conviction Public Defender Office and its Fund of \$161,000.	HB2860/ SB1531
<u>County Attorney Immigration Enforcement:</u> Maintains \$1,213,200 for county attorney immigration enforcement, including \$200,000 for the Maricopa County Attorney, and \$500,000 for the Maricopa County Sheriff.	HB2852/ SB1523
<u>ASRS Pension Contribution Rate:</u> Reversal of the current 47% employer and 53% employee contribution rate split to the original 50/50 split for the Arizona State Retirement System (ASRS) is included in a related measure HB2264 ASRS; employee; employer contributions; rate , the budget documents include the return of state employee contributions paid to the system in excess of the employer contributions from the effective date of the original change, June 30, 2011.	HB2852/ SB1523
<u>County Flexibility Language-</u> As session law, allows counties to use any source of county revenue to meet a county fiscal obligation for FY 2013. Additionally counties are required to report to the Director of JLBC on the intended amount and sources of funds by October 1, 2012.	HB2855/ SB1526
<u>Out of County Tuition-</u> Includes an appropriation of \$848,800 to the rural county reimbursement, Apache county will receive \$466,000 and Greenlee county \$382,800.	HB2852/ SB1523
<u>Congressional District 8 Special Election-</u> Includes an appropriation of \$1,900,000 from the General Fund for the CD-8 special district elections for the seat formerly held by Congresswoman Gabrielle Giffords.	HB2852/ SB1523
<u>Court Fund Sweeps-</u> For the next two Fiscal Years, FY2013 and 2014 the state is sweeping a total of \$6 million each year out of a combination of court funds as follows: State Aid to the Courts Fund, \$50,000; Alternative Dispute Resolution, \$200,000; Arizona Lengthy Trial, \$100,000; Public Defender Training, \$25,000; Judicial Collection Enhancement, \$400,000; Criminal Justice Enhancement, \$75,000; Drug Treatment and Education, \$150,000; Juvenile Probation Services Fund, \$5 million.	HB2852/ SB1523

Bills for Consideration
Legislative Policy Committee Meeting
May 4, 2012 (9:00 a.m.)

Bill Number	Short Title	Description	Comment
<i>Legislative Bills for Discussion</i>			
HB2018:	missing child; reporting; offense (<i>Ugenti</i>)	A person who has care or custody of a child under 9 years of age and who knows that the child has been missing for more than 24 hours is required to immediately report the child as missing to law enforcement. A violation is a class 5 felony. Amended in COW to include the requirement that AzPOST determine if 50 percent or more of a city's or town's police officer certifications have been revoked over a consecutive eight-year period they must notify the Attorney General, who must notify the county board of supervisors. The board may require, by majority vote, the county sheriff to assume the law enforcement functions of the city or town.	DPA Senate COW
HB2826:	consolidated election dates; political subdivisions (<i>Ugenti</i>)	Beginning with elections held in 2014, political subdivision elections, except special elections, can no longer be held in March or May and may only be held in even-numbered years.	Passed on House Final Read, 32- 28, transmitted to Governor
HCR2060:	retirement benefits; public employees (<i>Kavanagh</i>)	This legislation would require the 2012 general election ballot to carry the question of whether to amend the state Constitution to allow increases in member contributions or reductions in cost of living adjustments for the Elected Officials' Retirement Plan.	DP Senate COW

HB 2815:	employment; incentives; regulatory tax credit (<i>Mesnard</i>)	Beginning in tax year 2014, establishes an individual and corporate income tax credit for the creditable costs and expenses of “excessive regulation” (defined) incurred by a taxpayer. The credit is capped at \$1,000 for individuals and \$4,000 for corporations in tax years 2014 and 2015, and \$2,000 for individuals and \$8,000 in tax years 2016 and after. The unused credit may be carried forward for up to 10 consecutive taxable years. Establishes caps for the aggregate amount of credits in claims against different government entities. Establishes a process for claiming the credit, including approval by the Department of Revenue. An approved credit constitutes a debit against the general fund appropriation for a responsible state agency, a debit against state shared revenues for responsible counties and municipalities, and a debit against any other taxing entity’s monies in the custody of the State Treasurer for other taxing entities. All or part of an unclaimed credit may be sold or transferred under specified conditions. Additionally, the list of amounts subtracted from Arizona gross income for individual and corporate income tax purposes is expanded to include net capital gain included in federal adjusted gross income for the taxable year that is derived from an investment in a capital asset acquired after December 31, 2011, beginning with 25 percent of net capital gain in tax year 2013 and increasing 25 percent per tax year to 100 percent in tax year 2016 and after. Corporations may carryover net operating losses arising in tax years beginning with 2013 for 20 years, increased from 5 years.	DPA Senate COW
SB1442:	prime contracting; manufacturing facilities; infrastructure (<i>Yarbrough</i>)	This legislation requires the State Treasurer to pay a city, town or county, from the distribution base, the amount determined for the purpose of funding up to 80 percent of the cost of public infrastructure improvements for the benefit of a manufacturing facility. The bill requires that any associated improvement allowed by a project shall include a public infrastructure improvement that is made for the benefit of the manufacturing facility outside of the parcel or parcels of real property where the manufacturing facility is located.	DPA Senate Conference Committee
SB1449:	recall; primary; general election (<i>Smith</i>)	This bill as amended in conference committee would have required that the official against whom a recall petition has been filed and does not offer resignation within five days after the petition is filed, must be paid reasonable special election campaign expenses from the general fund of the state, county or municipality as determined by the legislature for a state officer, or as determined by the appropriate local governing body for county or other local officers. Additionally it stated that the amount must be paid after the special election has been held. Applies retroactively to expenses incurred for a recall election held in November of 2011, making it applicable to former Senator Russell Pearce.	DPA Senate Conference Committee

CSA Legislative Agenda

HB 2360:	flood control districts; immunity (<i>Fann</i>)	A county flood control district and its employees are not liable for any injury or property damage arising out of a flood control project when a reasonably adequate warning of any unreasonably dangerous hazard is given to potentially affected property owners.	Signed by Governor, Chapter 222
HB 2389:	lease of county property; requirements (<i>Pratt</i>)	The appointment of an appraiser is not required for the lease of county property valued at \$5,000 or less if the value has been estimated and justified by a market analysis based on comparable sales.	Signed by Governor, Chapter 254
HB 2651:	road enhancement district; governance (<i>Burges</i>)	Establish a mechanism where a BOS may be replaced by an independently elected board of directors for a Road Enhancement Improvement Districts.	Signed by Governor, Chapter 104
HB 2658:	flood control authority; relinquishments; districts (<i>Pratt</i>)	Clarify municipal responsibility for long-term impacts, such as maintenance costs, when the municipality acting as a floodplain administrator, makes these decisions and gives up floodplain administration duties.	Signed by Governor, Chapter 228