

LPC Bills for Consideration March 9, 2018

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
HB 2632	public roadways; disposition	<i>Rivero</i>	In addition to quitclaim deed, a governing body may authorize the Department of Transportation to sell and convey the land within a roadway or portion of a roadway by another appropriate instrument. If "abutting owners" (defined) that comprise more than 50 percent of the land that is the subject of the sale provide written notice to the clerk or secretary of the governing body or the Dept, stating that the abutting owners elect that the land be auctioned, the sale must be conducted.	Passed House 38-18-4 Assigned to Senate Transportation and Technology
Legislative Bill Updates				
HB 2333 & SB 1175	home-based businesses; local regulations	<i>Weninger & Farnsworth</i>	A county or municipality cannot prohibit the operation of a "no-impact home-based business" (defined) or otherwise require a person to obtain any permit, license or other prior approval to operate a no-impact home-based business. Establishes a list of factors that qualify a residential property for use as a no-impact home-based business. Counties and municipalities are permitted to establish reasonable regulations on a home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety. <u>Comments: CSA Staff explained the bill and clarified it for informational purposes only. County professional staff have started to weigh in on the bill and have noted that with SB1001 the LPC voted to oppose on 1/2/18 there could be significant impacts to counties' ability to regulate business activities in the home unless amended. 02/02/18 CSA Staff explained the legislation and recommended an oppose position. The LPC moved to OPPOSE the bill. Updated: 03/09/18 CSA Staff explained some of our major concerns noting this is being driven by special interest groups and while the proponents feel they have provided ways to address our concerns county professional staff and attorneys do not agree.</u>	Passed House 36-20. Referred to Senate Commerce & Public Safety and Government. Scheduled to be heard in the Commerce & public Safety Committee on 3/12/18
HB 2371	mobile food vendors; state licensure	<i>Payne</i>	The Department of Health Services is required to adopt rules to establish health and safety licensing standards for "mobile food vendors" (defined) that apply on a statewide basis. The licensing standards must include three categories of mobile food vendors that are based on the type of food dispensed and the amount of handling and preparation required. Other requirements for the licensing standards are specified. The Dept. is required to establish statewide inspection standards for use by county health departments. The business of operating a mobile food vendor is added to the restaurant classification of transaction privilege taxes. Municipalities and other taxing jurisdictions are authorized to levy a transaction privilege, sales, use or other similar tax or fee on a person engaging in business as a mobile food vendor if the adopted tax meets a list of specified requirements. Municipalities and counties are authorized to impose a list of specified restrictions on mobile food vendors and are prohibited from imposing another list of restrictions. <u>Comments: 02/02/18 CSA Staff explained the legislation noting that the bill created a statewide regulation process for mobile food vendors, which was modeled on Maricopa County's ordinances. Staff noted that we will work with the sponsor to amend the bill to address our concerns. The LPC moved to OPPOSE the bill. Update: 2/23/2018 staff gave an update on the amendment to the bill so far and advised next the changes will be reviewed during the ACDEHSA meeting. Update: 3/09/18 CSA Staff noted we have been working with the sponsor of this bill, Representative Payne, to address county concerns. It was amended on the House floor two weeks ago, to make a number of changes to address county and city concerns. There are some additional changes that the sponsor has indicated he is open to an amendment to the bill.</u>	Passed House 45-11. Will be heard in the Senate Commerce on 3/12/18 & Public Safety and Finance on 3/14/18.
HB 2383	authorize emergency vehicles; probation officers	<i>Clodfelter</i>	For the purpose of transportation statutes, the definition of "authorized emergency vehicle" is expanded to include a probation officer's vehicle. <u>Comments: 02/09/18 CSA Staff explained the legislation noting that there have been concerns from the county sheriffs and other law enforcement personnel regarding the lack of training for operating as an emergency vehicle and that transport vehicles are not currently equipped with proper lights posing additional safety risks. The LPC voted to OPPOSE the issue. Update: 3/09/18 CSA Staff noted this bill is also being opposed by the County Sheriffs (AACo). Additionally, the Department of Public Safety raised concerns with the legislation though they are technically neutral.</u>	Passed House 33-26. Referred to Senate Government and Judiciary.

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
HB 2479 & SB 1392	TPT; digital goods & services	<i>Ugenti-Rita/D. Farnsworth</i>	The business of selling licensing for use of "prewritten computer software" (defined), regardless of delivery method, and selling "specified digital goods" that are "transferred electronically" (both defined) are added to the retail classification of transaction privilege taxes. The sale of prewritten computer software and specified digital goods must be sourced to the seller's business location if the seller receives the order at a business location in Arizona, and to the purchaser's location in Arizona if the seller receives the order at a business location outside Arizona. For the purpose of transaction privilege and use taxes and local excise taxes, gross income, gross receipts or gross proceeds from selling, leasing or licensing "specified digital services" and "specified digital goods" that are remotely accessed by a customer and not transferred electronically to the customer, are excluded from tax. Contains a legislative intent section, which states that this legislation is not intended to affect, and may not be cited or applied in, any administrative or judicial action pending on the effective date of this legislation that considers the construction, interpretation or application of any statutory or administrative provision regarding the taxation of digital goods and services. Comments: <u>02/09/18 CSA Staff explained the legislation noting that this arose from the business community due to the Department of Revenue currently uses the definition of rental of personal property to guide their actions the goal is to move it to a retail classification and staff is working to ensure that county sales tax rates apply when the state tax rates apply. No official action was taken by the LPC. Update: 2/23/2018 CSA staff advised that this will impact state sales TPT an estimated reduction in 30-50 million annually. Issue relates to moving from the personal property classification to the retail classification. Update 3/9/18: staff noted that staff has signed in opposed to the legislation but are backing away from the use tax argument due to Leadership was tying that to the ongoing budget conversations.</u>	HB passed House 39-19, ready for Senate. SB retained on Senate COW calendar 3/1.
HB 2501	PTSD; workers' compensation; presumption	<i>Boyer</i>	For the purpose of workers' compensation, post-traumatic stress disorder (PTSD) is presumed to be an occupational disease and deemed to arise out of and in the course of employment for a "first responder" (defined) if a list of specified conditions apply, including that a licensed mental health professional determines that the first responder has PTSD resulting from the performance of his/her job duties. The list of circumstances under which the state and political subdivisions are required to provide licensed counseling to a public safety employee is modified to include the use of deadly force or being subjected to deadly force in the line of duty regardless of whether the employee was physically injured (previously applied only to peace officers), witnessing the death of another public safety employee while engaged in the line of duty (previously applied only to firefighters), and in the case of a firefighter or peace officer, being exposed to a psychologically traumatic event or series of events in the course of employment. The list of public safety employees subject to this requirement is expanded to include a rescue or ambulance worker who is a member of any public retirement system. Employers are prohibited from requiring public safety employees receiving treatment under this program to use paid time off and are required to allow the employees to select their own licensed mental health professionals. The repeal date of January 1, 2023 for the licensed counseling requirements is deleted. Comments: <u>02/09/18 CSA Staff explained the legislation noting that ACIP is concerned with the bill and recommend opposing the bill but to allow staff the opportunity to try and work on a resolution before additional action is taken by the members. The LPC voted to OPPOSE the bill. Update 3/9/18: staff noted we continue to work towards getting the bill amended and or to hold it up in the process.</u>	Passed House 57-2, transmitted to the Senate. The bill has been assigned to the Finance and Commerce and Public Safety Committees.
SB 1195	technical correction; health services; monitoring S/E psychiatric hospitalization; screening (Barto)	<i>Barto</i>	The striker makes extensive changes to the involuntary commitment statutes. Comments: <u>CSA Staff explained the legislation noting that there are some significant concerns from the counties on this bill including the impact the Certificate of Hold process could have on rural counties and unreasonable timing for evaluations and screenings. The Board moved to OPPOSE the bill. Update: 2/23/2018 staff advised there is a stakeholder meeting next Monday and we are working towards getting a better resolution on the bill. Update 3/09/18: CSA staff noted of the three main concerns, one problematic component remains in the bill and we are working on an additional amendment to be added in the House to address the concerns. Both the sponsor and the proponents have indicated they will continue to work with us on the bill to address our concerns.</u>	Passed Senate 19-10-1 on 3/8/18 Transferred to the House

CSA Legislative Agenda

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments	Status
HB 2190	county improvement districts; repayment agreements	Mitchell	Allow a county improvement district to acquire, construct, or improve a domestic drinking water treatment and distribution system or a combination of such projects with funds from the Water Infrastructure Finance Authority.	Passed House 57-0-2-0-1 Passed Senate Natural Resources Energy & Water Committee on 2/07/18 with a vote of 7-0-1.
HB 2274	county contributions; hospitalization; medical; repeal	Thorpe	Eliminate the county Disproportionate Uncompensated Care (DUC) payments to the state. This payment costs 14 counties \$2.6 million annually.	Passed House 58-0, transmitted to the Senate. Referred to Senate Health & Human Services and Appropriations Committees.
HB 2413	public road maintenance; primitive designation	Cook	Clarify the universe of road systems that are eligible to be brought into the county roadway system and expand the number of roads that are eligible to be declared as "primitive" by a county board to include those roadways not built to county standards opened prior to June 13, 1990.	Passed House 58-0-1-0-1 Passed Senate Government Committee 7-0, Rules 3/5/18 & Caucus on 3/6/18
HB 2415	juvenile dependency proceedings fund	Cobb	Allocate financial resources to counties to assist with providing mandated attorney services for indigent defendants in juvenile dependency matters, due to recent increases in costs associated with these cases as a result of the overhaul of the child protective services system in Arizona.	Passed House 51-7, transmitted to Senate. Referred to Senate Appropriations and Judiciary Committees.
HB 2439	county contributions; committed youth; repeal	Thorpe	Repeals statute requiring the Department of Juvenile Corrections to annually assess a committed youth confinement cost sharing fee to each county, and the Department of Juvenile Corrections Local Cost Sharing Fund. All unexpended and unencumbered monies remaining in the Fund are transferred to the general fund on the effective date of this legislation. The amount of monies transferred is appropriated from the general fund in FY2018-19 to the Department of Administration for distribution to each county in a proportional share using population data from the most recent U.S. decennial census.	Passed House 55-3; transmitted to Senate. Referred to Senate Appropriations and Judiciary Committees. Scheduled in JUD on 3/15/18
SB 1038	state land payments; payment method	Griffin	Enables the State Land Commissioner to accept additional payment options, instead of only cashier's checks, on sales and auctions of state land.	Passed Senate 30-0. Passed House Land, Agriculture & Rural Affairs Committee 8-0, Rules and Caucus.
SB 1113	zoning violations; notice; service	Fann	Provide more flexibility and clarity for the serving of zoning violations. Currently statute only permits the zoning inspector to serve such notices, but the Arizona Rules of Civil Procedure (ARCP) affords more flexibility.	Passed Senate 23-5 Passed House Local & International Affairs Committee 5-0, Rules and Caucus
SB 1410	transient lodging tax; rural counties	Borrelli	Enable smaller counties, with a population of fewer than 500,000 persons, to levy a tax on transient lodging in both incorporated and unincorporated areas of the county.	Bill dropped 1/26/2018 Referred to Senate Finance 1/29
Folder # TBD	supermajority to levy county excise taxes	TBD	Change the existing general fund one-half cent sales tax authority to allow a five-member board of supervisors to levy the tax with a super-majority vote, rather than a unanimous vote.	

Updated 3/9/18

Ongoing LPC Bill List

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
HB 2001	indigent defense fund; distribution; purpose	Cardenas	The Arizona Criminal Justice Commission is required to distribute monies in the State Aid to Indigent Defense Fund each fiscal year to each county for the sole purpose of providing state aid to the county public defender, legal defender and contract indigent defense counsel for the processing of criminal cases. Comments: <u>CSA Staff explained the legislation, noting that the bill passed out of the LIA committee 7-0-0 and that the sponsor offer similar proposals last year that CSA supported. The Board moved to SUPPORT the bill.</u>	Passed House 42-16. Referred to Senate Judiciary & Appropriations.
HB 2001 & SB 1001 HB 2001 & SB 1001 HB 2001 & SB 1001	controlled substances; regulation; appropriation	Mesnard; Yarbrough	The governor's 68 page bill with policy changes intended to combat the opioid crisis in Arizona. Comments: <u>1/26/2018 CSA Staff explained the legislation from the Special Session, noting that the bill passed out of the both chambers unanimously.</u> Link to the House Fact Sheet Link to CSA Summary of relevant county provisions.	Referred to Senate Health and Human Services; House Health Scheduled Senate Health and Human Services on 1/24 Passed House Health 8-0-1 on 1/23 Passed both House & Senate (SB1001) Signed by Governor 1/26
HB 2003	coal mining; TPT; repeal	Finchem	The list of exemptions from the retail classification of transaction privilege taxes is expanded to include the gross proceeds of sales or gross income from sales of coal. The list of items that municipalities and special taxing districts are prohibited from levying a transaction privilege, use or other similar tax on is expanded to include the sale, storage, use or consumption of coal. Comments: <u>Staff suggested bill be brought back to next week's BOD meeting to discuss opposition. Exploring potential fiscal impact. Members shared that this would have a negative impact on counties that rely on coal revenues. 01/18/18 - Staff explained that ADOR is still working on getting the fiscal impact and will provide an update once those are available. There was a request for clarification on the impact of the repeal. The Board moved to OPPOSE the bill. Note: Striker in Finance SB 1501 with same subject was held.</u>	Passed House on 3/5/18 with a vote of 33-22-5 Scheduled to be heard in Senate Finance on 3/14/18
HB 2017	state land department; continuation	Mitchell	Continues the State Land Department for an additional eight years until July 1, 2026. Comments: <u>CSA Staff noted that the State Land commissioner asked for CSA's support. LPC moved to SUPPORT the bill.</u>	Passed the House 57-0-2-0-1 Passed Senate Nat-Resources-Energy on 2/26, awaiting Rules.
HB-2033	drug overdose; good Samaritan; evidence	Lawrence	Stipulates that a person who, in good faith, seeks medical assistance for someone experiencing a drug related overdose and a person who experiences a drug related overdose and who is in need of medical assistance cannot be charged with or prosecuted for the possession or use of a controlled substance or drug paraphernalia if the evidence for the violation was gained as a result of seeking medical assistance. Comments: <u>Staff discussed upcoming special session that Gov. Ducey is expected to call on the opioid epidemic. CSA will bring the opioid bill to LPC once it becomes available.</u>	Assigned to House Health

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HB 2065	public meetings; definition; penalties	Leach	For the purpose of open meeting laws, the definition of "meeting" is expanded to include a one-way communication by one member of a public body that is sent to a quorum of the members of a public body and that proposes legal action, and an exchange of electronic communications among a quorum of the members of a public body that involves a discussion, deliberation or the taking of legal action by the public body concerning a matter that may likely come before the public body for action. The Attorney General is authorized to commence a suit in the superior court against an individual member of a public body for a knowing violation of open meeting law. The maximum civil penalty for a second and subsequent violation of open meeting law is increased to \$5,000, from \$500. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that the AG's office is planning on amending the bill, we will monitor and recommend connecting with civil deputies.</u>	Passed House 55-2. Passed Senate GOV on 3/7, awaiting Rules
HB 2116	limitations of actions; dedicated property	Kern	Municipalities and counties are prohibited from instituting or maintaining an action or arbitration based on a required permit against a person who develops or develops and sells real property or who completes other construction activities on an improvement to real property that is dedicated to the municipality or county more than eight years after "substantial completion" (defined) of the improvement to real property. <u>Comments: 02/02/18 CSA Staff explained the legislation and recommended a neutral position on the bill pending an amendment that would change the starting date for the 8 years to the date the property is taken into the county maintenance system instead of upon "substantial completion" . The LPC moved to have a position of NEUTRAL on the bill.</u>	Passed House 39-21. Referred to Senate Judiciary.
HB 2156	legislative vacancy; appointment; time frame	Coleman	For a legislative vacancy where the vacant seat was represented by an organized political party with fewer than 30 elected precinct committeemen from precincts in the legislative district and in the county in which the vacancy occurred or where the vacant seat was not represented by an organized political party, the Secretary of State is required to notify the appropriate county LPC of supervisors, and the time frames for appointing a person to fill the vacancy are modified. The LPC of supervisors is required to appoint a citizens panel within 7 business days, increased from 3 business days. The citizens panel is required to submit to the LPC the names of three qualified electors to fill the vacancy within 21 days after the panel is appointed or within 5 days if the Legislature is in regular session, instead of within 7 business days. The deadline for the LPC of supervisors to appoint one person from the list to fill the vacancy within 5 business days is eliminated. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that the committee discussed the potential of adding a timeframe the BOS would be required to act when filling a vacancy. The LPC noted that the lack of a timeframe could prevent the nominated candidates for a vacant position from being considered. The LPC moved to SUPPORT the bill.</u>	Passed House 48-12; ready for Senate. Passed Senate Judiciary Committee Hearing on 3/8/18, pending Rules
SB 1065	communication- service information- technical correction commercial vehicles; ports of entry; axel fees	Brophy McGee	Allows the ADOT to establish an axle fee in rule for all commercial vehicles that enter Arizona from Mexico through an international port of entry in counties with a population with fewer than 190,000 persons or greater than 250,000 persons. Starting July 1, 2018 ADOT is required to deposit collected axle fees in the State Highway Fund and spend collected single trip excess weight permit and axle fee monies on qualifying transportation facilities proportionally based on the amount collected through each international port of entry located within 20 drivable miles of the international port of entry. <u>Comments: CSA Staff explained the legislation and noted an adopted amendment took Yuma out of the bill due to concerns regarding the loss of truck traffic to Calexico. The funds will be used to modernize State Route 189 and Ruby Road off I-19 in partnership with ADOT. The Board took a position of SUPPORT.</u>	Passed Senate 20-10-0 on 3/5/18, Scheduled to be heard in the House Transportation and Infrastructure committee on 3/14

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
SB 1076	assault; public safety contractors; workers	Barto	For the purpose of statute allowing public safety employees or volunteers to petition the court for an order authorizing testing of another person for certain diseases if there is probable cause to believe that the person bit, scratched, spat or transferred blood or other bodily fluid on or through the skin of the employee or volunteer who was performing an official duty, the definition of "public safety employee or volunteer" is expanded to include a contractor of a state or local law enforcement agency or correctional facility, any employee or volunteer of a correctional facility, and any other person who is authorized to perform official duties or be present within a correctional facility. Comments: CSA Staff explained the bill and advised it was coming from Maricopa County. Staff will follow-up on a question regarding state liability if a contractor is infected with a disease. The CSA Board moved to SUPPORT the bill.	Passed Senate 30-0 Passed House Jud-Public Safety, Rules and Caucus
SB 1089	purple heart day	Borrelli	Declares that August 7 in each year is Purple Heart Day, which is not a legal holiday. Comments: CSA Staff explained the legislation, noting that all Arizona Counties are Purple Heart Counties. The LPC moved to SUPPORT the bill.	Passed Senate 28-0-2 Passed House Military Veterans & Regulatory Affairs, Rules and Caucus.
SB 1144	conservation easements; notice; valuation	Griffin	The holder of a conservation easement is required to provide for the recording of the easement and its acceptance, and to prepare and provide the information required for the registry of real property burdened by conservation easements to the county assessor for each county in which any portion of the real property is located. The information that must be included in the registry for each parcel is expanded to include the name of the holder of the conservation easement, the name of any governmental body or charitable corporation with a third-party right of enforcement, and the full cash value of the property as determined for the year in which the conservation easement is recorded. Comments: 1/26/2018 CSA Staff explained the legislation for informational purposes, noting the original requirements for the online registry went into effect 1/1/2017.	Passed Senate 29-0-1 Passed House Land, Agriculture and Rural Affairs, Rules and Caucus.
SB 1146	vehicle fees; alternative fuel VLT.	Worsley	Repeals the separate vehicle license tax classification for motor vehicles powered by alternative fuels. Establishes a highway safety fee in an amount to be determined by the Director of the Department of Transportation annually. The fee will be collected at the time of application for vehicle registration. The fee is required to fully fund 110 percent of the Department of Public Safety Highway Patrol budget for each fiscal year. Discussed mirror bill HB 2166 vehicle fees; alternative fuel VLT (Campbell) on 1/18/2018 Comments: 1/26/2018 CSA Staff explained the legislation, noting that the legislation aligns with the CSA Boards Transportation Resolution and will put additional funds into HURF. The LPC moved to SUPPORT the bill.	Referred to Senate Transportation and Technology Scheduled to be heard 1/30/2018; Held Passed Senate Transportation and Technology with amendment; 7-0 Passed Senate rules on 2/19 Senate COW approved with amend and floor amend on 2/22

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SB 1147	county excise tax for transportation.	Worsley	<p>The board of supervisors of any county is permitted to submit to the voters a transportation plan funded by an excise tax. The board is required to present the issue on the ballot as a single question for approval of both the transportation plan and the tax. If approved by the voters, the county is required to levy and the Department of Revenue is required to collect the tax beginning January 1 or July 1, whichever occurs first after voter approval, on the same tax base that applies to other excise taxes in the county. The tax must be levied at a rate that, together with any other county transportation excise taxes, will not exceed a total of one percent of the gross proceeds of sales or gross income derived from a business subject to the tax. In its initial submission to the voters, the board of supervisors must either set a termination date for the tax or provide that the tax will be perpetual, subject to termination only by a subsequent countywide vote.</p> <p><u>Comments:</u> Discussed mirror bill HB 2165 county excise tax for transportation (Campbell) on 1/12/2018 1/26/2018 CSA Staff explained the legislation, noting that the legislation will give additional tools in the toolbox for counties related to transportation. The LPC noted the desire for an amendment allowing for the revenue to be excluded from expenditure limitations. The LPC moved to SUPPORT the bill.</p>	Passed Senate 24-6. Referred to House Transportation & Infrastructure and House Ways & Means. Passed House Transportation & Infrastructure hearing on 3/7/18.
SB 1153	fire flow requirements; rural applicability	Allen	<p>In a county with a population of less than 500,000 persons (all but Maricopa and Pima), any requirement to provide water and/or fire flow for fire protection under a fire code adopted by the state or a county, municipality or fire district does not apply to single family residential properties or subdivisions with lot dimensions equal to or greater than 1/2 acre in size if the current "adjacent public water distribution system" (defined) or a private well does not meet the requirements to provide water and/or fire flow. Contains a legislative intent section. <u>Comments:</u> 1/26/2018 CSA Staff explained the legislation, noting that the legislation is similar to a bill last year that the LPC opposed. The LPC moved to OPPOSE the bill.</p>	Referred to Senate Natural Resources, Energy and Water Scheduled to be heard 1/29/2018; Held
SB 1201	county treasurer; electronic records; liens	Worsley	<p>The county treasurer is authorized to keep an account of the receipt and expenditure of monies in electronic books provided for that purpose and to issue either an electronic receipt or hard copy receipt for all monies received. <u>Comments:</u> 02/09/18 CSA Staff explained the legislation noting that is an efficiency bill of AACOs. The LPC voted to SUPPORT the bill.</p>	Passed Senate 30-0. On House Local & International Affairs Agenda 3/14/18.
SB 1202	countywide elections; vote by mail	Worsley	<p>On approval of the county LPC of supervisors, a county is authorized to conduct a mail ballot election for all elections administered by that county, including elections for federal and state offices and measures, and elections for county, municipal, school district and special districts. Counties that conduct mail ballot elections are required to report specified information about the election to the Legislature by January 1 of each year following a mail ballot election. <u>Comments:</u> 1/26/2018 CSA Staff explained the legislation, noting that this is an AACO bill, permissive and a potential cost saving measure. The LPC moved to SUPPORT the bill.</p>	Referred to Senate Judiciary
SB 1207	lease authority; airports; air terminals	Pratt	<p>Any county, instead of only a county with a population of less than 400,000 persons, is permitted to extend the existing lease for airport or airport terminal purposes with a person, corporation or political subdivision, after notice and a public hearing. Lease extensions may be for an additional period of up to 50 years, increased from 40 years. The reimbursement to a county for an executed lease cannot be less than the appraised rental value of the real property as determined by the county, except that the county is allowed to consider any capital improvements by the lessee in determining the final reimbursement rate of the lease. <u>Comments:</u> 02/02/18 CSA Staff explained the legislation and recommended support, noting that it is an important tool for Pinal County and would allow flexibility for rural counties that have a lessee that wants to make long term improvements in the airport. The LPC moved to SUPPORT the bill.</p>	Passed Senate 27-2 Passed House Transportation & Infrastructure, Rules and Caucus.

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SB 1216	advanced certification; assessor personnel; compensation	Allen	A person who is employed by the Department of Revenue or a county and who successfully completes the advanced certification for assessors and appraisers provided by the Dept. may be approved to receive additional compensation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting it is the same language as a bill last the LPC opposed last year. The LPC moved to OPPOSE the bill.</u>	Referred to Senate Finance Passed FIN on 2/14/18 with a vote of 4-3-0 On Senate consent calendar; passed Senate rules on 2/19 Stricken from consent calendar by Yarbrough on 2/19 Failed Senate 13-17 on 2/21
SB 1274	public monies; recovery; illegal payments	Peterson	The Attorney General is authorized to bring an action to recover illegally paid public monies against any person who received the illegal payment, the public body or public officer acting in his/her official capacity who ordered or caused the illegal payment, the public official, employee or agent who ordered or caused the illegal payment. A public official, employee or agent of the state, a political subdivision, or a budget unit who is charged with collecting, receiving, safekeeping, transferring or disbursing public monies may be held personally liable for an illegal payment of public monies. Comments: 02/02/18 CSA Staff explained the legislation and recommended opposing the bill as written, noting that the AG's office agreed to amend the bill to ensure the same standards for state employees are subject at all levels of state government. The LPC moved to OPPOSE the bill. Update: 2/23/2018 staff noted the bill as amended was reviewed with the Civil Deputies and they were comfortable with the changes and staff recommended moving the position from oppose to neutral, the LPC adopted a NEUTRAL position on the bill.	Passed Senate 30-0 2/21 Pending House Government Committee on March 15th
SB 1281	street lighting improvement districts; consolidation	Kavanagh	Municipalities are authorized to consolidate two or more existing street lighting improvement districts upon receipt of a petition signed by the majority of the real property owners in each of the districts that are proposed to be consolidated. The districts must be contiguous and new territory may not be included. Establishes a process for consolidation, including public notice and a public hearing. The consolidation must take effect on July 1 immediately following the timely filing of notice of the consolidation with the Department of Revenue. To be eligible to levy a tax within a consolidated district, the municipality is required to notify the Dept., the county assessor and the county treasurer of the district consolidation no later than June 1 immediately preceding the effective date of the consolidation. <u>Comments: 02/09/18 CSA Staff explained the legislation noting that this is a League bill that will allow for potential efficiencies for the Treasurer and Assessor's office, some discussion regarding the potential for adding this type of language for county street lighting districts. The LPC did not take any action on the bill.</u>	Passed Senate 29-0-1 Passed House Government, Rules and Caucus.
SB 1292	EORP; cost-of-living adjustment	D. Farnsworth	For the Elected Officials' Retirement Plan, each retired member or survivor of a retired member is eligible to receive a compounding cost-of-living adjustment in the base benefit based on the average annual percentage change in the metropolitan Phoenix-Mesa consumer price index, with the immediately preceding year as the base year for making the determination, up to a maximum of two percent of the retired member's or survivor's base benefit annually. Repeals statutes governing EORP benefit increases. Conditionally enacted on the state Constitution being amended, as prescribed in an unspecified Senate concurrent resolution (blank in original), by the voters at the 2018 general election. <u>Comments: 02/02/18 CSA Staff explained the legislation and recommended a position of support, noting that the bill would move the permanent benefit increase (PBI) to a cost of living adjustment (COLA) for EORP and the companion bill that would send the issue to the voters is SCR 1010. The LPC moved to SUPPORT the bill.</u>	Passed Senate 29-0-1 Referred to House banking and insurance on 2/19

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
SB 1296	government communications; emergency response interpreters	Bowie	The state, counties and municipalities are each required to ensure that its communications with persons with disabilities, including online communications and emergency communications, are equally as effective as its communications with persons without disabilities. The state, counties and municipalities are each required to provide auxiliary aids and services with needed to communicate effectively with persons with communication disabilities. The state, counties and municipalities are each required to establish a protocol to secure a licensed emergency response interpreter to interpret emergency communications that are presented live to the media for broadcast or delivered through a live online communication, including an official government statement or press conference relating to an emergency situation. Does not prevent the state, a county or a municipality from communicating to the public during an emergency situation if an emergency response interpreter is unavailable. <u>Comments: CSA Staff explained the legislation and a question on if there was funding connected to the legislation arose. Staff explained that there was no funding associated with the legislation. The CSA Board did not take any action on the bill.</u>	Referred to Senate Government on 1/23 Scheduled for 2/14 The bill passed the GOV on 2/14/2018 with a vote of 7-0-0.
SB 1374	state law; local government violations	Brophy McGee	For a legislator to be eligible to request an investigation of a county or city action that allegedly violates state law or the state Constitution, all or part of the county or municipality must be located in the legislator's legislative district. Prior to investigating the alleged violation, the Attorney General is required to notify the county or municipality and allow at least 30 days for a response before making a determination. Counties and municipalities have 60 days, increased from 30 days, to resolve violations after notice from the Attorney General, or may appeal the determination by filing a special action in the Supreme Court to resolve the issue. If the Supreme Court determines that there is no violation, the State Treasurer is required to reimburse the county or municipality for reasonable fees and costs incurred to respond to the request. The reimbursement amount cannot exceed an unspecified amount (blank in original) for each determination. <u>Comments: 02/02/18 CSA Staff explained the legislation, noting this was for information only at this point. The bill makes changes to SB1487 (2016) regarding complaints by a legislator alleging a municipality or county took legal actions that violate state statute or the Arizona Constitution.</u>	Referred to Senate Government on 2/6 Scheduled to be heard in Senate Failed in the GOV Committee on 2/14/18 with a vote of 3-4-0.
SB 1400	aggravated DUI; sentence; county jail	Smith	County sheriffs of counties with a population of less than 500,000 persons are authorized to establish an aggravated driving under the influence jail program. If the county sheriff establishes a program, the program cannot be implemented until the Department of Corrections enters into an agreement with the county board of supervisors to facilitate the program. If a violation of aggravated driving under the influence occurs in a county with a program or a county contiguous to a county with a program and the person is placed on probation, the mandatory term of incarceration that the person would otherwise serve in prison may be served in a county jail. Beginning January 1, 2019, the Arizona Criminal Justice Commission is required to submit an annual recidivism report to the Legislature that compares the recidivism rate for a person who serves the mandatory incarceration in a county jail under a program and a person who serves the mandatory incarceration in prison. <u>Comments: 02/02/18 CSA Staff explained the legislation, noting that additional information on the bill will be sent out and feedback will be requested.</u>	Passed Senate 30-0. Passed House Judiciary & Public Safety agenda 3/7/18.
SB 1404	occupational regulation; municipalities; counties	Smith	Counties and municipalities are prohibited from imposing any "occupational fee" or "licensing requirement" (both defined) on any occupation, trade or profession if that county or municipality does not already impose it on the effective date of this legislation. If the state imposes a new occupational fee or licensing requirement on any occupation, trade or profession that has not been previously regulated by the state but that has been regulated by the county or municipality, the county or municipality is prohibited from continuing to impose any occupational fee or licensing requirement on that occupation, trade or profession on or after the effective date of the statute or rule. Beginning on the effective date of this legislation, a county or municipality is prohibited from increasing the amount of any occupational fee on any occupation, trade or profession that is currently subject to the occupational fee. <u>Comments: 2/23/2018 staff explained the bill it was noted that this bill does not allow for the need to license based on future areas that may need oversight such as industry connected to future technology or if the state was to allow recreational marijuana, the LPC OPPOSED the bill.</u>	Failed 3rd Read in the Senate on March 5th with a vote of 12-17-1

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
SB 1452	dependency; kinship care; aggravated circumstances	Barto	The Department of Child Safety is required to determine the placement of a child in Dept. custody based on the best interests of the child, and to give preference to an adult relative over a nonrelative caregiver when determining the child's placement. If a child is taken into temporary custody, the Dept. is required to use due diligence to identify and notify adult relatives of the child within 30 days after the child is taken into temporary custody, including contracting with private investigators if necessary, and file the results of the search with the court. If the Dept. identifies an adult relative who is a suitable placement for the child and the placement of the child with the adult relative would be in the best interests of the child, the child must be placed with the adult relative within 30 days if the placement is in Arizona, or within 90 days if the placement is outside Arizona. A list of factors the court is required to consider when determine whether a placement is in the best interests of the child is established. If a child has been in foster placement for six months or more, the presumption exists that remaining in the placement is in the child's best interests unless there are confirmed safety or welfare concerns for the child. If a child who was taken into temporary custody is under three years of age, the Dept. is required to determine if an "aggravating circumstance" (defined elsewhere in statute) exists, and file a notice with the court within 14 days that states either that the Dept. finds, does not find or is unable to determine that an aggravating circumstance exists. If the Dept. finds the existence of an aggravating circumstance, the Dept. is required to file a petition for termination of parental rights within 10 days after the notice is filed. If the Dept. is unable to determine if an aggravating circumstance exists, the court is required to hold a hearing within 48 hours after the notice is filed to determine the existence of an aggravating circumstance, and must make the determination within three days after the hearing. By July 1, 2019, the Dept. is required to develop a system to track on an individual and aggregate basis infants who are taken into the custody of the department as a result of in utero controlled substance exposure. <u>Comments: CSA Staff explained the legislation. The CSA Board did not take action on the bill.</u>	Passed Senate Health and Human Services with a vote of 4-3-0-0. Passed Rules. Held in Rules
SB 1466	voting centers; board of supervisors	Gray	Only on a specific resolution of the county board of supervisors, the board is permitted to authorize the county recorder or other officer in charge of elections to use additional types of voting locations in addition to polling places, including voting centers, early voting centers, and early voting drop-off centers. <u>Comments: 02/09/18 CSA Staff explained the legislation noting, before making a decision it would be discussed again after the recorders have had an opportunity to seek an amendment. The Board moved to OPPOSE the bill and work towards an amendment. Update an agreement has been reached on this bill with the Recorders and Elections Officers.</u>	Passed Senate 3/8/18 with a vote of 29-0-1. Transmitted to the House.
SB 1492	payment in lieu of taxes	Griffin	A local government that receives federal payments in lieu of taxes is required to distribute those monies to the school districts where the nontaxable federal lands are located and that generated those federal payments. <u>Comments: 02/09/18 CSA Staff explained the legislation noting, that this could cost counties \$35 million in revenues. The LPC voted to OPPOSE the bill.</u>	Referred to Senate Finance and Senate Education on 1/31 Scheduled to be heard in Senate Education on February 15, 2018 Held in ED

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
SB 1503	delinquent restitution; monthly report; hearing	Smith	The clerk of the court is required to transmit a monthly report to the probation department and to each supervising court that includes the name and case number of every defendant who has been placed on probation, who is supervised by that court and who is delinquent in the payment of restitution or of any installment as ordered by the court. If a defendant fails to make three or more consecutive payments as required by a condition of probation, the supervising court is required to conduct a review hearing within 30 days after receiving notice of the delinquency to determine whether there is cause to find the defendant in contempt and impose a sanction. Comments: <u>2/23/2018 staff explained the bill it was noted that the Arizona Office of the Courts, Superior Court Clears are in opposition to the bill. Staff recommended opposing the bill due to potential cost impacts and the current lack of capacity to expand the court case load in this way. Discussion identified support for the underlying reason for the bill, supporting victims getting paid in a timely manner but the LPC OPPOSED the bill based on potential cost impacts to counties.</u>	Passed Senate 17-13. Scheduled to be heard in House Judiciary & Public Safety on March 14th .
SCM 1007	rural schools; reauthorization; urging Congress	Griffin	The Legislature urges the U.S. Congress to immediately reauthorize Secure Rural Schools and Community Self-Determination Act funding for fiscal years 2019 and 2020 and work toward a long-term solution for rural communities and schools in and around national forests. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S. Senate, the Speaker of the U.S. House and each member of Congress from Arizona. Comments: <u>02/09/18 CSA Staff explained the legislation encouraging Congress and the President to create a long term SRS solution. The LPC voted to SUPPORT the bill.</u>	Passed Senate 30-0. Assigned to the House Education Committee on 3/8/18
SCM 1018	payments in lieu of taxes	Griffin	The Legislature urges the U.S. Congress to provide full long term funding for the Payment in Lieu of Taxes (PILT) program to help create financial stability within Arizona's counties, and to work with the State of Arizona and county governments to identify and implement policies to promote economic development on, or associated with, federally managed lands. The Secretary of State is directed to transmit copies of this memorial to the President of the U.S., the President of the U.S. Senate, the Speaker of the U.S. House and each member of Congress from Arizona. Comments: <u>02/09/18 CSA Staff explained the legislation encouraging Congress and the President to create a long term PILT solution. The LPC voted to SUPPORT the bill.</u>	No action
SCR 1010	public retirement systems	D. Farnsworth	The 2018 general election ballot is to carry the question of whether to amend the state Constitution to provide that the Constitutional provision prohibiting public retirement system benefits from being diminished or impaired does not prohibit certain adjustments to the Corrections Officer Retirement Plan as provided in S1442 as enacted by the 53rd Legislature, 1st Regular Session, and does not prohibit certain adjustments to the Elected Officials' Retirement Plan as provided in an unspecified Senate bill (blank in original). The Legislature requests the Secretary of State return SCR1023, 53rd Legislature, 1st Regular Session, to the Legislature and submit this resolution in lieu of SCR1023. Comments: <u>02/02/18 CSA Staff explained the legislation and recommended position of support, noting that this is the companion bill to SB 1292 and would submit to the voters a request to move the PBI to a COLA adjustment for EORP & CORP. The LPC did not take action on the bill.</u>	Passed Senate 29-0 Referred to House banking and insurance on 2/19

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
"Fair Justice Initiative"				
HB 2169	driving violations; restricted licenses; penalties	Boyer	A restriction on a person's driver license or permit to drive as a result of a conviction for a violation of Title 28 (Transportation) may limit the person's privilege to drive to and from specified locations during specified periods of time. The sentencing options for various transportation-related violations are expanded to include that the court may order that the person's driving privilege be restricted. A person who is convicted of driving on a suspended class D or M license before January 1, 2011 may apply for a restricted privilege to drive if the person meets specified requirements. A judge is authorized to mitigate any civil penalty required by Title 28 (Transportation) if the person ordered to pay the penalty demonstrates that the payment would be a hardship on the person or his/her immediate family. Factors the court must consider when determining whether to mitigate a civil penalty are listed. Effective January 1, 2019. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed the House 56-0-3-0-1 Passed Senate Transportation and Technology, Rules and Caucus.
HB 2259	juvenile court facilities; shelters; use	Carter	If appropriate facilities are available to the juvenile court, the presiding judge of the superior court is permitted to authorize juvenile court staff to provide services within the facilities. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed House 60-0; ready for Senate. Passed Senate Judiciary Committee on March 8th, Pending Rules
HB 2312	setting aside conviction; requirements	Farnsworth E.	If a person is sentenced to imprisonment in the Department of Corrections, the person cannot apply to the court to have the judgment of guilt set aside until two years after the date of the person's absolute discharge from imprisonment. The clerk of the court is prohibited from charging a filing fee for an application to have a judgment of guilt set aside. Establishes a list of factors the court must consider when determining whether to set aside a conviction. A conviction that is set aside may be used as a prior conviction. Modifies the list of offenses that disallow a person convicted of those offenses from applying to have the judgment of guilt set aside. Effective January 1, 2019. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed House 56-0; ready for Senate. Passed Senate Judiciary Committee on March 8th, pending rules
HB 2313	sentencing; monetary obligations; fine mitigation	E. Farnsworth	Decreases the surcharge levied on every fine, penalty, forfeiture and civil penalty imposed to 42 percent, from 47 percent. Levies an additional penalty assessment of \$9 on every fine, penalty, forfeiture and civil penalty imposed. Of the assessment collected, 62.4 percent is deposited in the Victims' Rights Fund and 37.6 percent is deposited in the Victim Compensation and Assistance Fund. Modifies the distributions from the Criminal Justice Enhancement Fund to eliminate the distributions to the Victims' Rights Fund and the Victim Compensation and Assistance Fund and to raise the percentage distributions to all other beneficiaries accordingly. Statutory consequences, including wage garnishment, for nonpayment of fines and fees are applied to surcharges and assessments. If the court or LPC of Executive Clemency finds that a defendant has willfully failed to pay a fine, surcharge, fee, assessment, restitution or incarceration costs or finds that a defendant has intentionally refused to make a good faith effort to obtain the monies required for payment, the court is authorized to revoke the defendant's probation and sentence the defendant to prison. Judges are authorized to mitigate a fine if the defendant demonstrates that the payment would work a hardship on the defendant or the defendant's immediate family. Factors the court must consider in determining whether to mitigate a fine are listed. Effective January 1, 2019. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed House 56-0. Passed Senate Judiciary Committee on March 8th, pending rules

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
HB 2314	misdemeanor sentence; authorized disposition	E. Farnsworth	If a person is convicted of a misdemeanor and not granted a period of probation, the court may impose a sentence to a term of community restitution or education or treatment. If the court imposes a sentence to perform community restitution for a misdemeanor, the court is required to determine or fix the number of hours required. If the court imposes a sentence for a term of education or treatment for a misdemeanor, the term cannot exceed the term of probation as determined by statute. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed House 58-1-1 Passed Senate Judiciary, Rules and Caucus.
HB 2315	intensive probation; employment wages; monitoring	E. Farnsworth	A probation officer is required to monitor a person on intensive probation's wages to ensure the collection of restitution, probation fees, fines and other payments. Previously, the person on intensive probation's wages were required to be paid directly to an account established by the probation officer, and the probation officer was required to make payments for restitution, probation fees, fines and other payments. "Fair Justice" Initiative Legislation. <u>Comments: 1/26/2018 CSA Staff explained the legislation, noting that this is for information only and it may be brought to a future LPC for consideration. 02/02/18 CSA Staff explained all the "Fair Justice" Initiatives. The LPC made a motion to SUPPORT all the "Fair Justice" Initiatives.</u>	Passed House 58-1-1 Passed Senate Judiciary, Rules and Caucus.
Water Bills				
HB 2512 & SB 1507	water program amendments	Bowers/Griffin	Various changes to statutes relating to water. The Department of Water Resources (DWR) is required to prepare a desalination action plan that includes specified provisions and submit the initial plan to the Governor and the Legislature by September 30, 2019. Requires legislative approval, in addition to DWR approval, for a person to transport water out of Arizona. Requires DWR to adopt rules to calculate extinguishment credits in the Pinal Active Management Area (AMA) by January 1, 2019. Declares that the use of groundwater to water plants in containers on or above the surface of the ground is a non-irrigation use and establishes requirements for the use of groundwater for this purpose. The Director of DWR is required to adopt a management plan for each initial AMA no later than January 1, 2023 for the sixth management period, 2025 to 2035. DWR is required to include in the management plans a non-per capita conservation program for municipal providers that requires a municipal provider regulated under the program to implement one or more water conservation measures in its service area. Responsibility for oversight of natural resource conservation districts is transferred to the Department of Forestry and Fire Management, from the State Land Department, and session law provides for the transfer and succession of all matters, property and records. Much more. Several sections of statute amended by this legislation are effective from and after an unspecified date (blank in original). <u>Comments: 2/09/2018 CSA Staff explained the legislation, currently this is just for informational purposes noting that there are a lot of moving pieces, the hearings at the legislature have provided a lot of discussion and this is something that will be discussed in greater detail in future meeting.</u>	HB 2512 Passed House 33-27. Referred to Senate Natural Resources, Energy & Water. SB 1507 Passed Senate Natural Resources, Energy & Water and Rules. SB 1507 Failed on 3rd Read 15-15

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
SB 1515	adequate water supply; county review	Griffin	For a county that is not in an Active Management Area, the county board of supervisors is required to review the provision for adequate water supply for a subdivision and after review may by unanimous vote readopt the provision up to 5 years after the effective date of this legislation and every 5 to 10 years thereafter. The board is required to give written notice of any vote not to readopt the provision to the Director of the Department of Water Resources, the Director of the Department of Environmental Quality and the State Real Estate Commissioner. The vote not to readopt the provision is effective and the provision has no further force if a list of specified conditions apply at the time of the vote. <u>Comments: 2/15/2018 CSA Staff explained the bill and requested the members evaluate what the water bills mean to each county and what it would mean going forward and to provide feedback to CSA next week. The Board did not take any action on the bill.</u>	Passed Senate 17-13. Referred to House Energy, Environment & Natural Resources.
SB 1516	central Arizona project; sovereign immunity	Griffin	A multi-county water conservation district is prohibited from asserting the defense of immunity under the 11th amendment of the U.S. Constitution in litigation brought by a water user to enforce the terms of a Central Arizona Project water delivery contract or subcontract. <u>Comments: 2/15/2018 CSA Staff provided an overview of the legislation. It was noted by the membership that this could impact Mohave County's ability to challenge the decision by the CAP to purchase of water from the Mohave Valley Irrigation and Drainage District. The CSA Board moved to OPPOSE the bill at the January 18th board meeting.</u>	Referred to Senate Natural Resources, Water, and Energy on 1/31 The bill passed out of NREW (DPA) on 2/15/18 with a 6-2-0 vote.
HB 2608	well reporting; Mohave; La Paz basins	Cobb	Creates reporting requirements for wells in Hualapai Valley basin, the Sacramento Valley basin, the Renegras Plain basin, the McMullen Valley basin or the Butler Valley basin if: 1. the well was drilled on or after January 1, 2012; 2. the well has a pump with a maximum capacity of more than one hundred gallons per minute. Repeals the section from and after December 31, 2020. <u>Comments: 2/09/2018 CSA Staff explained the legislation, currently this is just for informational purposes noting the goal of this bill was to get a very narrowly tailored bill for monitoring in La Paz and Mohave counties this will be part of the discussion for future meetings regarding water issues.</u>	Assigned to Land, Agriculture and Rural Affairs
Pension Bills				
HB 2357	EORP; employer contributions	Livingston	Beginning July 1, 2018, each Elected Officials' Retirement Plan employer is required to make contributions on a level percent of compensation basis for all member employees sufficient under an actuarial valuation to meet both the normal cost plus the actuarially determined amount required to amortize the unfunded accrued liability over a closed period of 20-30 years. In any fiscal year, an employer's contribution to EORP in combination with member contributions may not be less than the actuarially determined normal cost for that fiscal year. <u>Comments: 2/15/2018 CSA Staff provided an update on the EORP bill and the efforts to wrap this into efforts to remove state costs shifts and find funding to pay for EORP. 1/18/2018 CSA Staff explained the bill and that the judge issued a ruling on January 8, 2018 that either increased employer contributions or another funding source must be identified by July 1, 2018. The CSA Board moved to OPPOSE the bill at the January 18th board meeting.</u>	Passed House on reconsideration 45-15. Referred to Senate Finance.

Bill Number	Short Title	Prime Sponsor	Summary/LPC Comments & Position	Status
HB 2545 & SB 1292	EORP; cost-of-living adjustment	<i>Livingston/ D. Farnsworth</i>	For the Elected Officials' Retirement Plan, each retired member or survivor of a retired member is eligible to receive a compounding cost-of-living adjustment in the base benefit based on the average annual percentage change in the metropolitan Phoenix-Mesa consumer price index, with the immediately preceding year as the base year for making the determination, up to a maximum of two percent of the retired member's or survivor's base benefit annually. Repeals statutes governing EORP benefit increases. Conditionally enacted on the state Constitution being amended, as prescribed in an unspecified Senate concurrent resolution (blank in original), by the voters at the 2018 general election. <u>Comments: 02/02/18 CSA Staff explained the legislation and recommended a position of support, noting that the bill would move the permanent benefit increase (PBI) to a cost of living adjustment (COLA) for EORP and the companion bill that would send the issue to the voters is SCR 1010. The LPC moved to SUPPORT the bill. 2/09/2018 CSA Staff explained the EORP package of bills no additional stance was taken legislation staff will monitor and speak to the larger EORP and cost shift issues.</u>	HB 2545 passed House 58-2. HB 2545 Referred to Senate Finance. SB 1292 Passed the Senate 29-0-1. SB 1292 Referred to House Banking & Insurance.
HB 2564	court fees; EORP; state contribution	<i>Livingston</i>	Statutory fee amounts received by the clerk of the superior court and justices of the peace are increased by 9 to 16 percent. Of the monies received from the fees that are not kept by the court pursuant to statute, the county treasurer or justice of the peace is required to transmit 6 percent to the Elected Officials' Retirement Plan Fund for the purpose of funding a portion of the state employers' contributions. The percentages of the monies that are transmitted to various other funds are all decreased. Due to a potential increase in state revenue, this legislation requires the affirmative vote of at least 2/3 of the members of each house of the Legislature for passage, and becomes effective on signature of the Governor. <u>Comments: 02/09/18 CSA Staff explained the legislation noting that there the adjustment helps the state with their EORP issue but does not help the counties. No official position was taken by the LPC.</u>	Passed House 49-11. Scheduled to be heard in Senate Judiciary on March 15th.
HCR 2032 & SCR 1010	public retirement systems	<i>Livingston/ D. Farnsworth</i>	The 2018 general election ballot is to carry the question of whether to amend the state Constitution to provide that the Constitutional provision prohibiting public retirement system benefits from being diminished or impaired does not prohibit certain adjustments to the Corrections Officer Retirement Plan as provided in S1442 as enacted by the 53rd Legislature, 1st Regular Session, and does not prohibit certain adjustments to the Elected Officials' Retirement Plan as provided in an unspecified House bill (blank in original). The Legislature requests the Secretary of State return SCR1023, 53rd Legislature, 1st Regular Session, to the Legislature and submit this resolution in lieu of SCR1023. <u>Comments: 02/09/18 CSA Staff explained the legislation noting that there have been concerns regarding the potential for litigation due to the judges being in the system. Staff will express those concerns and is working with Legislative staff to evaluate the issue. No official position was taken by the LPC.</u>	HCR 2032 Passed House 57-0. HCR 2032 Referred to Senate Finance. SCR 1010 Passed the Senate 29-0-1. SCR referred to House Banking & Insurance.

Updated 3/9/18