



County Supervisors

A S S O C I A T I O N
o f a r i z o n a

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Revised 2/12/20

COUNTY SUPERVISORS ASSOCIATION LEGISLATIVE POLICY COMMITTEE AGENDA

February 14, 2020

(Conducted Via Teleconference and Webinar)

Teleconference 1-669-900-9128 OR 1-646-558-8656

[Web Link](#)

County Supervisors Association
1905 W. Washington St.
Phoenix, AZ

9:00 a.m. Call to Order ~ *President Rudy Molera*

- A) Approval of the Minutes of the February 7, 2020, Legislative Policy Committee Meeting (*previously distributed*)
- B) CSA Legislative Agenda
 - 1) [CSA Legislative Budget Priorities](#)
 - a) [HB 2350 counties; committed youth contributions; repeal](#) (Toma)
 - b) \$3 million - Presidential Preference Election
 - c) Contain County ALTCS Contributions
 - d) Increase Transportation Investment
 - 2) [SB 1280 pensions; unfunded liability; expenditure limits](#) (Mesnard)
 - 3) Short-term rental regulation
 - a) [HB 2875 regulation; short-term rentals](#) (Kavanagh)
 - b) [SB 1554 short-term rental enforcement; penalties](#) (Brophy McGee)
 - c) [SCR 1042 short-term rentals; vacation rentals](#) (Brophy McGee)
 - 4) [SB 1490 short-term rental properties; classification](#) (Mesnard)
 - 5) [SB 1303 annexation of territory; requirements](#) (Pratt)
 - 6) [HB 2123 appropriation; heritage fund.](#) (Osborne) / [SB 1085 appropriation; heritage fund](#) (Brophy McGee)
 - 7) [HB 2478 rural counties; transient lodging tax](#) (Pierce)
 - 8) [HB 2479 juvenile dependency; state aid; appropriation](#) (Biasiucci)
 - 9) [HB 2581 dangerous; incompetent person; evaluation; commitment](#) (J. Allen)
- C) Legislative Bills for Discussion
 - 1) [HB 2496 agricultural property classification; quest ranches](#) (Dunn)
 - 2) [HB 2761 property value determination; modifications; verification](#) (Shaw)
 - 3) [HB 2877 e-liquids; vapor products; tobacco products](#) (J. Allen)
 - 4) [HB 2899 fuel; electric cars; hybrids; taxes](#) (Campbell)
 - 5) [SB 1133 public works; contracts; payment](#) (Gray)
 - 6) [SB 1487 caregiver protections; placement provider investigation](#) (E. Farnsworth)
 - 7) [SB 1510 public contracts; payment methods](#) (Livingston)
 - 8) [SB 1575 property tax exemptions; statutory conformity](#) (Mesnard)
 - 9) [SB 1667 fireworks; aerial devices](#) (Gowan)
 - 10) [SCR 1043 constitutional property tax exemptions](#) (Mesnard)
- D) Other Legislative Issues
- E) Next Meeting Date and Time (*Thursday, February 20, at 10:00 a.m.*) **PLEASE NOTE THE NEXT LPC WILL BE HELD IN CONJUNCTION WITH THE CSA BOARD OF DIRECTORS MEETING (then Friday, February 28, at 9:00 a.m.)**
- F) Other Business
- G) Adjourn

PLEASE POST NO LATER THAN 9:00 A.M., THURSDAY, FEBRUARY 13, 2020

Attendance may occur by teleconference or videoconference

Revised LPC February 14, 2020

Senate Information

House Information

Bills	Committee Actions	COW Action	3rd Read & Votes	Final Read & Votes	Committee Actions	COW Action	3rd Read & Votes	Final Read & Votes
HB2496	agricultural property classification; guest ranches				1st Read: 01/29 WM None RULES None		SPONSORS: DUNN, BIASIUCCI, et al 2nd Read: 01/30	
Comments: Summary: Allows guest ranches to be classified as agricultural real property for the purposes of property taxation (Moves from 18% class 1 to a 15% class 2). Requires that the guest ranch owner record a deed restriction on the property for ten years and specifies penalties for deviation. Outlines requirements for what constitutes a guest ranch including providing recreational activities, having a supervised horse program and providing three meals a day. This bill is retroactive to tax years beginning from December 31, 2019.								
HB2761	property value determination; modifications; verification				1st Read: 02/04 WM None RULES None		SPONSORS: SHAH, FILLMORE, et al 2nd Read: 02/05	
Comments: Summary: Prohibits the county assessor from establishing limited property value on the basis of construction, destruction, or demolition by using aerial surveillance photography. Specifies that the county assessor must physically inspect and verify the total value of the modification before assessing limited property value.								
HB2877	e-liquids; vapor products; tobacco products						SPONSORS: ALLEN J	
Comments: Summary: Codifies the federal government's raising of the tobacco minimum sales age from 18 to 21 in Arizona law. Preempts regulation of tobacco products, alternative nicotine products, e-liquids, and vapor products by cities, towns, and counties. Establishes a state license under the Board of liquor license and control. Establishes requirements for selling these products, procedures for revocation, suspension and appeals.								
HB2899	fuel; electric cars; hybrids; taxes						SPONSORS: CAMPBELL, BOWERS, et al	
Comments: Summary: Establishes per gallon taxes for motor vehicle fuel in FYs 2020-2024 by specified amounts and ties later increases to inflation. Establishes per gallon equivalent taxes for natural gas and propane in the same timeframe. Establishes an electricity per kilowatt tax. Establishes a yearly tax for electricity-only and hybrid vehicles, specifying the tax amount from FY 2020 to FY 2023. In following years, states that the tax will be tied to GDP. Establishes the Arizona road use account, specifies that the account is to be funded by the yearly taxes imposed by the bill, and states that the account is intended to be used only on maintaining streets, roads and highways. Prohibits the account from funding most law enforcement activities, the economic strength project fund, and highway patrol costs. Specifies that the account be distributed in the same way as HURF. Requires the state transportation board - in consultation with county and municipal governments and regional transportation planning agencies - to develop a comprehensive plan for use of the Arizona road use fund. Requires this plan to be updated at least once every five years for usage over the next twenty years. Specifies retail standards for how compressed/liquefied natural gas must be dispensed.								

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SB1133	public works; contracts; payment 1st Read: 01/16 GOV 02/10 - DPA 6-1-0-0-0-0 RULES None		2nd Read: 01/21					SPONSORS: GRAY, FANN
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Comments: 1/31: Staff explained this bill is an ongoing conversation from last year that CSA opposed and is inconsistent with current practices. Staff additionally noted they are actively engaged in stakeholder meetings and are working on a resolution but are not yet there. The LPC voted to OPPOSE the bill.

Summary: Modifies the definition of a construction contract to include oral agreements, allows the contractor or subcontractor to request payment for additional work completed from a change order to be included in the monthly pay estimates. Allows either party to disagree with an interim determination to file a claim in accordance with the terms of the contract.

Update 2/10: Several changes were made from an amendment in committee, it specifies that the change order will be done in accordance with the terms of the construction contract, removes the new definition of construction contract, subcontractor and contractor, eliminated allowing oral agreements, and provided clarity regarding who the subcontractor is requesting payment from – specifies that subcontractor may requests payment from the contractor, not the owner. The bill does still allow for an interim determination, monthly payments based on the costs incurred for change orders, and a claims process for work for the costs of the work if there is a dispute.

SB1487	caregiver protections; placement provider investigation 1st Read: 02/03 JUD None RULES None		2nd Read: 02/04					SPONSORS: FARNSWORTH E. (12), FANN, et al
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Comments: Summary: Establishes additional caregiver protections for individuals who are providing out-of-home placement (foster parents / kinship placements) including some of the following:
 - Providing indigent defense if the child(ren) are removed from their custody because of possible abuse and a preliminary protective hearing.
 - Eliminates liability for the provider for (1) their own act or omission when acting in the capacity of a parent or (2) any act or omission of the child in their care if the biological, foster, or adoptive child brought into their home has behavioral health needs that pose a risk to the safety and welfare of other family members.
 - States that a provider that allows a child to participate in an appropriate activity is not civilly liable for any act in omission in allowing the child to participate if it is found that the provider acted according to a reasonable and prudent parenting standard.

SB1510	public contracts; payment methods 1st Read: 02/03 GOV 02/10 - HELD RULES None		2nd Read: 02/04					SPONSORS: LIVINGSTON
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Comments:

Summary: Allows contractor retention, at the option of the contractor, to be placed in money market or demand deposit accounts. Lack of security associated with the accounts. Note: the bill was held in committee pending an amendment. There have been some concerns raised regarding volatility and security associated with these types of accounts.

Senate Information

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SB1575	property tax exemptions; statutory conformity 1st Read: 02/04 FIN None RULES None		2nd Read: 02/05					SPONSORS: MESNARD
Comments: Summary: Coinciding with SCR 1043, which puts the question to the ballot of consolidating and reorganizing constitutional provisions relating to property tax exemptions for disabled veterans and widows, in addition to repealing and reinserting the constitutional sections relating to property tax exemptions overall. This bill merely makes statutory changes necessary to implement SCR 1043, if approved by the voters.								

SB1667	fireworks; aerial devices 1st Read: 02/05 COM None RULES None		2nd Read: 02/06					SPONSORS: GOWAN, PAYNE
Comments: Summary: Modifies the definition of permissible consumer fireworks by allowing mine devices and shell devices it also allows multiple-tube aerial devices in counties with 500,00 people or more.								

SCR1043	constitutional property tax exemptions 1st Read: 02/04 FIN None RULES None		2nd Read: 02/05					SPONSORS: MESNARD
Comments: Summary: Puts the question to the ballot of consolidating and reorganizing constitutional provisions relating to property tax exemptions for disabled veterans and widows, in addition to repealing and reinserting the constitutional sections relating to property tax exemptions overall.								
Coincides with SB 1575, which makes necessary statutory changes, enacted conditionally upon the voters approving this SCR.								