



COUNTY SUPERVISORS ASSOCIATION

Cochise County Board Briefing

56th Legislature, First Regular Session

Craig Sullivan, Executive Director

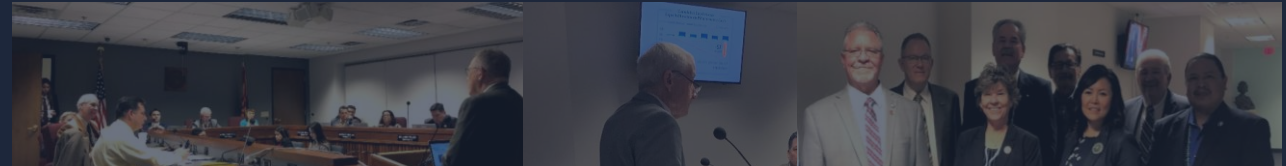
08.22.23



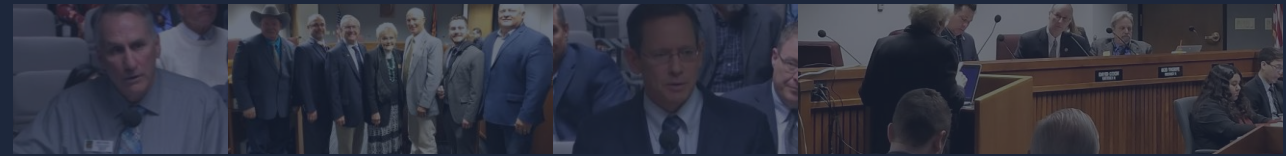
CSA's Core Goals

CSA's Purpose

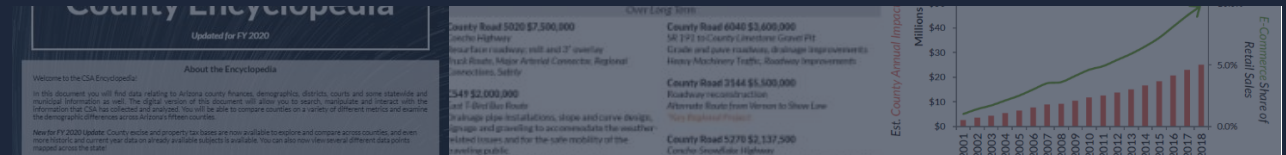
A non-partisan forum for Arizona's 61 county supervisors to address important issues facing local constituents, providing a mechanism to share information and to advance a state and federal policy agenda.



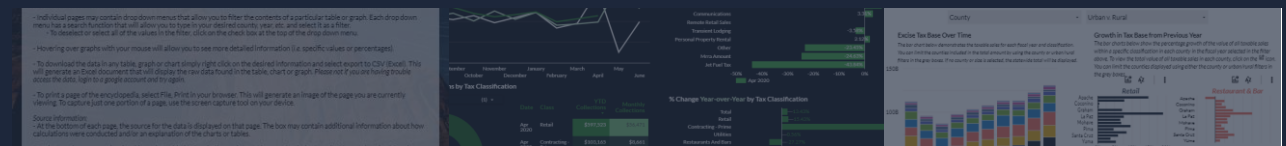
Protect and enhance county authorities and resources in order to promote efficient, responsive constituent services.



Develop and disseminate information to assist state and local decision-making.



Empower supervisors and professional staff to influence policy decision-makers at the state and federal level.





Importance of Intergovernmental Engagement





CSA Board of Directors

All 61 County Supervisors from Arizona's 15 counties

Executive Committee



President

Hon. Jason Whiting
Navajo County



President Elect

Hon. Steve Miller
Pinal County



First Vice President

Hon. Lynne Pancrazi
Yuma County



Vacant

Second Vice President

Vacant
Small County Caucus



Third Vice President

Hon. Rex Scott
Pima County



Immediate Past President

Hon. Jean Bishop
Mohave County

Legislative Policy Committee

Apache County – Alton Shepherd
Cochise County – Ann English
Coconino County - Matt Ryan (*Alt. Patrice Horstman*)
Gila County – Steve Christensen
Graham County – Danny Smith

Greenlee County – Richard Lunt
La Paz County – Duce Minor
Maricopa County – Steve Gallardo
Mohave County – Hildy Angius (*Alt. Jean Bishop*)
Navajo County – Jason Whiting

Pima County – Rex Scott
Pinal County – Stephen Miller
Santa Cruz County – Rudy Molera
Yavapai County – Harry Oberg (*Alt. Donna Michaels*)
Yuma County – Lynne Pancrazi (*Alt. Jonathan Lines*)

Capacity Development & Information Sharing

Speakers

Affiliate Organizations

Appointments & Agency Engagement

Governor's Water Policy Council

AZ Commerce Authority Board

Facilitating County Input on State Broadband Plans

AZ Supreme Court Commission on Technology

Arizona Criminal Justice Commission

CSA President serves on AACo LPC

PSPRS Advisory Committee

PSPRS Board of Trustees

Governor Katie Hobbs

Sen. Sonny Borrelli, Majority Whip

Rep. Andres Cano, Minority Leader

Tom Buschatzke, Director, ADWR

Sandip Bhowmick, Broadband Director, ACA

Jennifer Toth, Director, ADOT

Chuck Podolak, Director, WIFA

Thomas Torres, Director, DFFM

Jeff Sobotka, Broadband Director, ACA

Luis Heredia, State Director, Office of Sen. Mark Kelly

Alan Maguire, The McGuire Company

John Richardson, DFFM

Wendy Flood, ADEQ

Brett Galley, ACA

Melanie Chesney, Auditor General's Office

Carla Wall, Auditor General's Office

Jonathan Shuffield, NACo

Kathleen Wood, Auditor General's Office

Chris Kuzdas, Environmental Defense Fund

John Bullen, Program Manager, MAG

Kristen Keener, Babbitt Center for Land and Water Policy

County Managers Association

Association of County Engineers

County Planning Directors & Code Enforcement Officials

County Finance Officers Organization

Arizona Association of Counties

County Directors of Environment Health Services Association

Local Health Officers Association

Civil Deputy Attorneys Association



CSA RESEARCH & DATA INITIATIVE

Using research & data to inform decision making & advocacy on key county priorities.

COUNTY STATE FEDERAL

COLLECT & CONSOLIDATE

Gather 15 county data across a wide variety of subjects from counties, along with state and federal agencies.

ANALYZE & VISUALIZE

Turn data and information into interactive tools, educational materials and/or potential solution sets.

County Encyclopedia

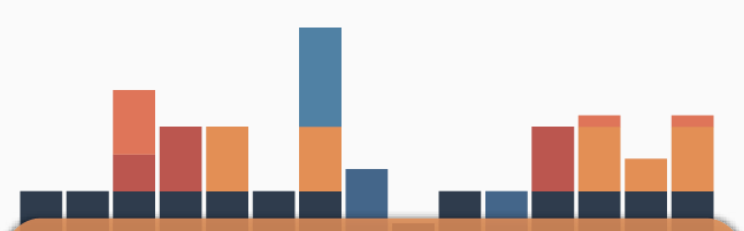
County Revenue Dashboard

County Employment Dashboard

SUPPORT LOCAL DECISION MAKING & ADVOCACY

Deploy research, analysis and data to inform local decisions and engagement with state/federal policy makers.





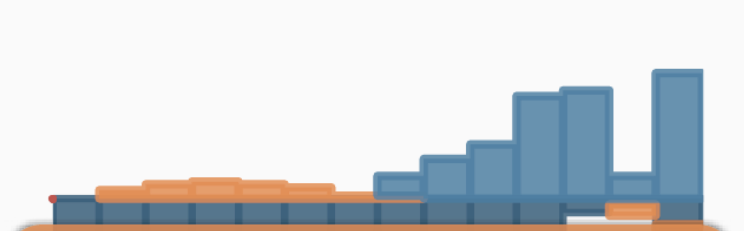
County Encyclopedia

Explore trends across counties and time for major county revenues, expenditures and demographic characteristics.
Customizable tables, growth calculations.



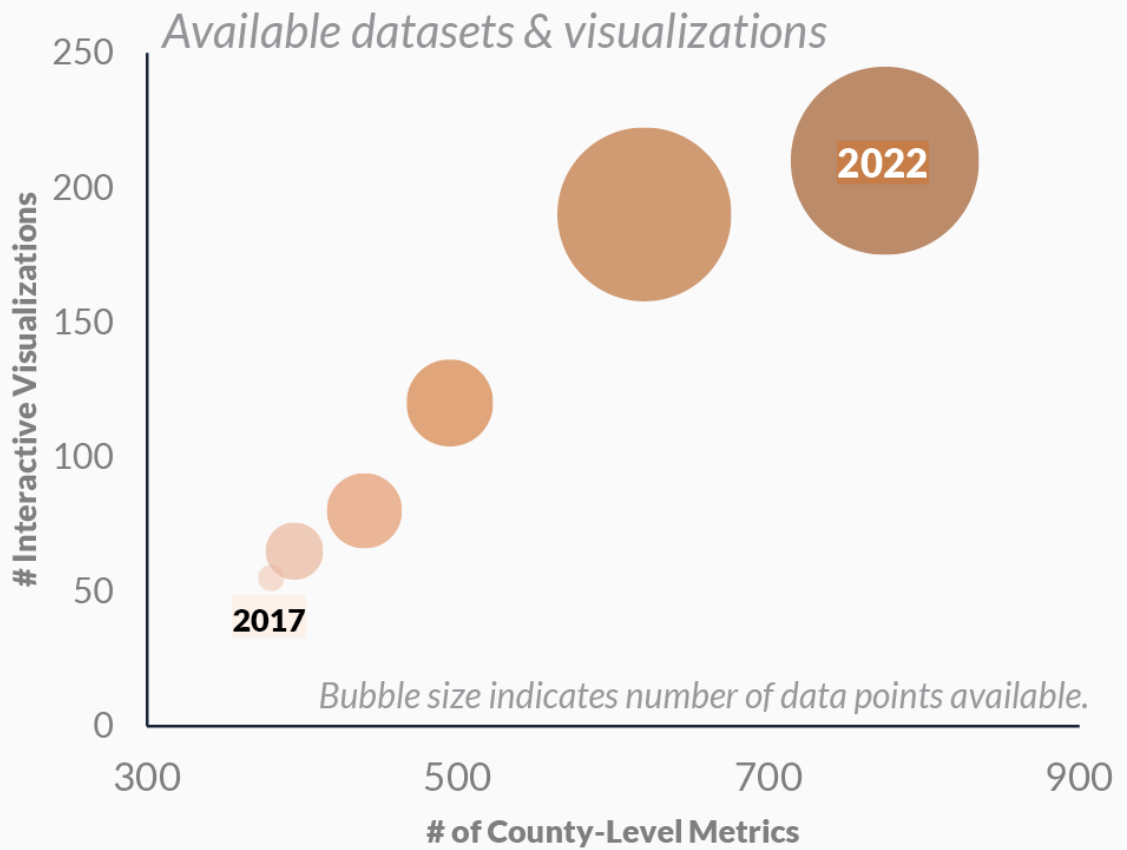
County Revenue Dashboard

Quickly visualize trends in monthly county revenues.
Examine driving sectors, impacts of tax law changes.



Employment Dashboard

Trends in employment by sector and county from 2000 forward.
Examine impacts of economic downturns or expansions.



Development of CSA Database & Tools

| | | |
|-----------------------------|------------------------------|------------------------|
| 4.1M+ data points | 210 visualizations | 775+ metrics |
|-----------------------------|------------------------------|------------------------|

2017 Launched Master Database & Interactive County Encyclopedia.

2018 Launched Revenue Dashboard.

2019 Expanded Encyclopedia and Database to include decades of historical data.

2020 Expanded Revenue Dashboard to track revenues by sector, track select monthly cost-drivers.

2021 Launched Employment Dashboard.

Transitioned CSA data to more robust platform to allow for more powerful analysis & visualizations.

2022-2023 Revamped Encyclopedia to be more customizable, expanded available data.

Expanded Revenue Dashboard to track recently enacted tax law changes.



Ongoing Research Projects

County Expenditure Limits

Expenditure Limit

Resource Guide – Summer '23

Key information on prior county elections, reporting requirements, best practices.

Workforce Challenges

Public Safety Retention & Recruitment Study – Nov. '23

Key information on prior county elections, reporting requirements, best practices.

Probation Officer Salary Funding

Probation Funding & Personnel Dashboard – Fall '23

Utilizing data published by AOC to visualize trends in funding for probation across all 15 counties.

Public Safety Pensions

Advisory Committee Member

Developing solution sets, tracking progress

Ongoing engagement with PSPRS to protect \$825M+ investment counties have made.

Ongoing discussion, analysis of labor force data – Winter '23

Partnering with ASU graduate program to identify trends, potential insights related to detention officer retention.

Constable Data Collection

Enhance available information

Collect additional data related to constable function.

Public Safety Retention & Recruitment Study



Arizona State University

Foundational Policy Analysis

Report on best practices and promising recommendations.

- Specific recommendations for decision-makers in cities, counties and state legislature.
- Context considerations for urban and rural areas

Leadership Interviews

Report on the analysis of interviews with jurisdiction, department leadership.

- Themes in different professions, regions, rural and urban areas.
- Potentially share strategies from areas where things are going well.

Morrison Institute of Public Policy

Project Management

- Coordinate research across universities.
- Coordinate communication between point of contact and universities.
- Produce executive summary & final report.

University of Arizona

Statewide Recruitment Poll

A statewide poll to gauge support for the police and fire professions and the desirability of these positions.

- Representative sample of the potential applicant pool.
- What strategies are useful for recruiting new personnel?

Employee Retention Survey

Survey of current personnel to identify what policies help or hinder retention.

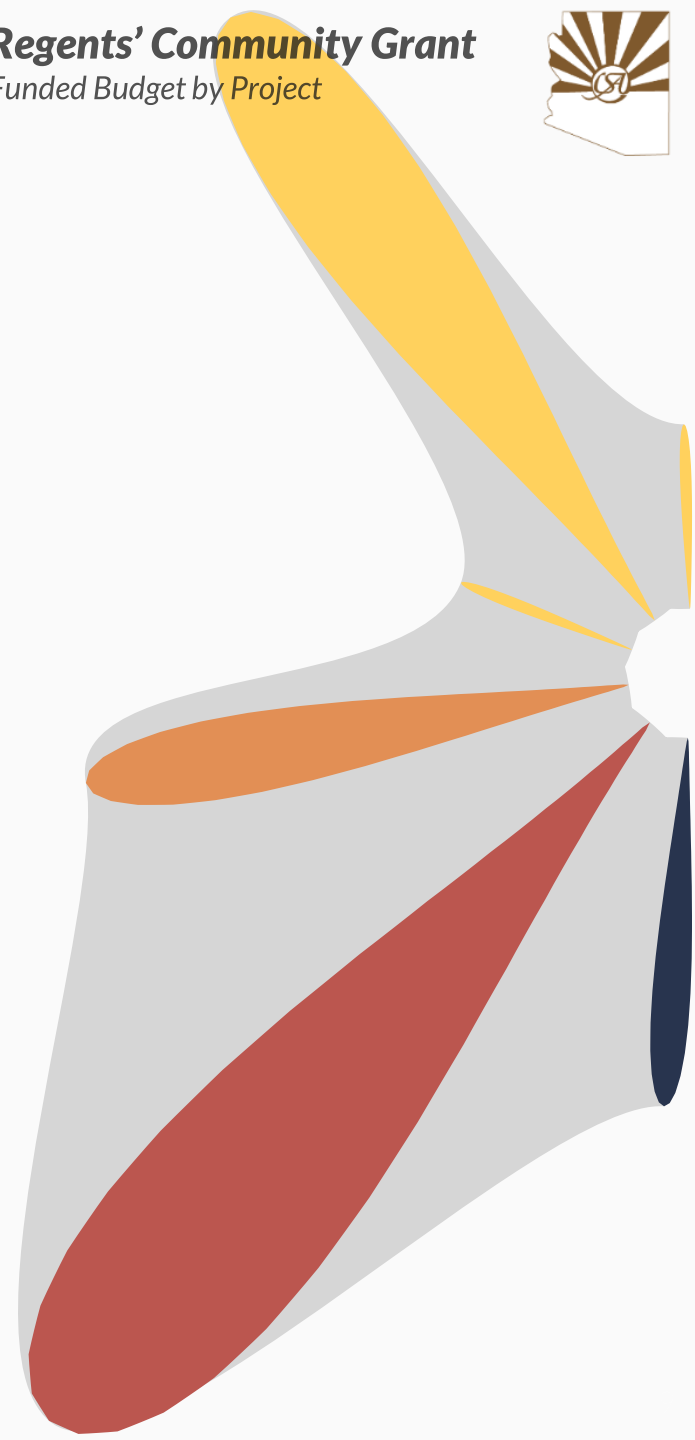
- What policies or initiatives keep people in their jobs versus juxtaposed with factors that might make them consider leaving.

Northern Arizona University

Employer Survey Analysis

Expand and analyze workgroup employer survey of key human resource metrics.

- Analyze the statewide recruitment and retention of police and fire positions over time.
- Conduct a Regional analyses of recruitment and retention of police and fire positions over time.
- Identify “time within level” of position for police and fire positions over time.





Research Plan Timeline

Summer 2023

Expenditure Limit Resource Guide

Probation Dashboard

Public Safety Study Results & Deliberation

ASU graduate student analysis of detention data

Constable data collection

Ongoing engagement with PSPRS

*Creation, adoption of
2024 research workplan*

CSA Summit

Winter 2023

Spring 2024

Summer 2024

Begin implementing 2024 research workplan



2023 Session *by the Numbers*

Legislature adjourned sine die on July 31st

General effective date for bills:

October 30, 2023

90 days after sine die

Bills

| | |
|------------------------|-------|
| Introduced | 1,675 |
| Passed | 348 |
| <i>County Relevant</i> | 99 |
| Vetoed | 143 |
| Signed | 205 |
| Enacted rate | 12% |

As of: *Tuesday, August 1, 2023*

Road to the FY 2024 State Budget Deal

Hobbs seeks ESA repeal in budget proposal, GOP offers 'continuation' with no new spending

[Nick Phillips Arizona Capitol Times//January 13, 2023](#)

Jan.

As session shifts into gear, bipartisan overtures turn to politicking

[Nick Phillips Arizona Capitol Times//January 24, 2023](#)

2/1

Budget bills advance through the Senate and House

[Camryn Sanchez And Jakob Thorington Arizona Capitol Times//February 1, 2023](#)

Republican budget proposal fails in House after Harris votes against caucus

[Jakob Thorington Arizona Capitol Times//February 6, 2023](#)

2/16

Hobbs vetoes Republican skinny budget

[Nick Phillips Arizona Capitol Times//February 16, 2023](#)

3/2

Hobbs, GOP leaders agree to talk budget

[Nick Phillips Arizona Capitol Times//March 2, 2023](#)

Budget moves through committees with almost no Democrat support

[Nick Phillips Arizona Capitol Times//May 9, 2023](#)

4/18

GOP Lawmakers to get Budget Allowance

[Arizona Legislative Report//April 18, 2023](#)

Vetoes define first 100 days of Hobbs' term

[Nick Phillips Arizona Capitol Times//April 12, 2023](#)

Legislative leaders want to pass budget ASAP, governor's staff says it's 'false urgency'

[Camryn Sanchez Arizona Capitol Times//March 21, 2023](#)

\$17.8 b budget proposal clears House; on to Gov. Hobbs

[Jakob Thorington Arizona Capitol Times//May 10, 2023](#)

May

5/9

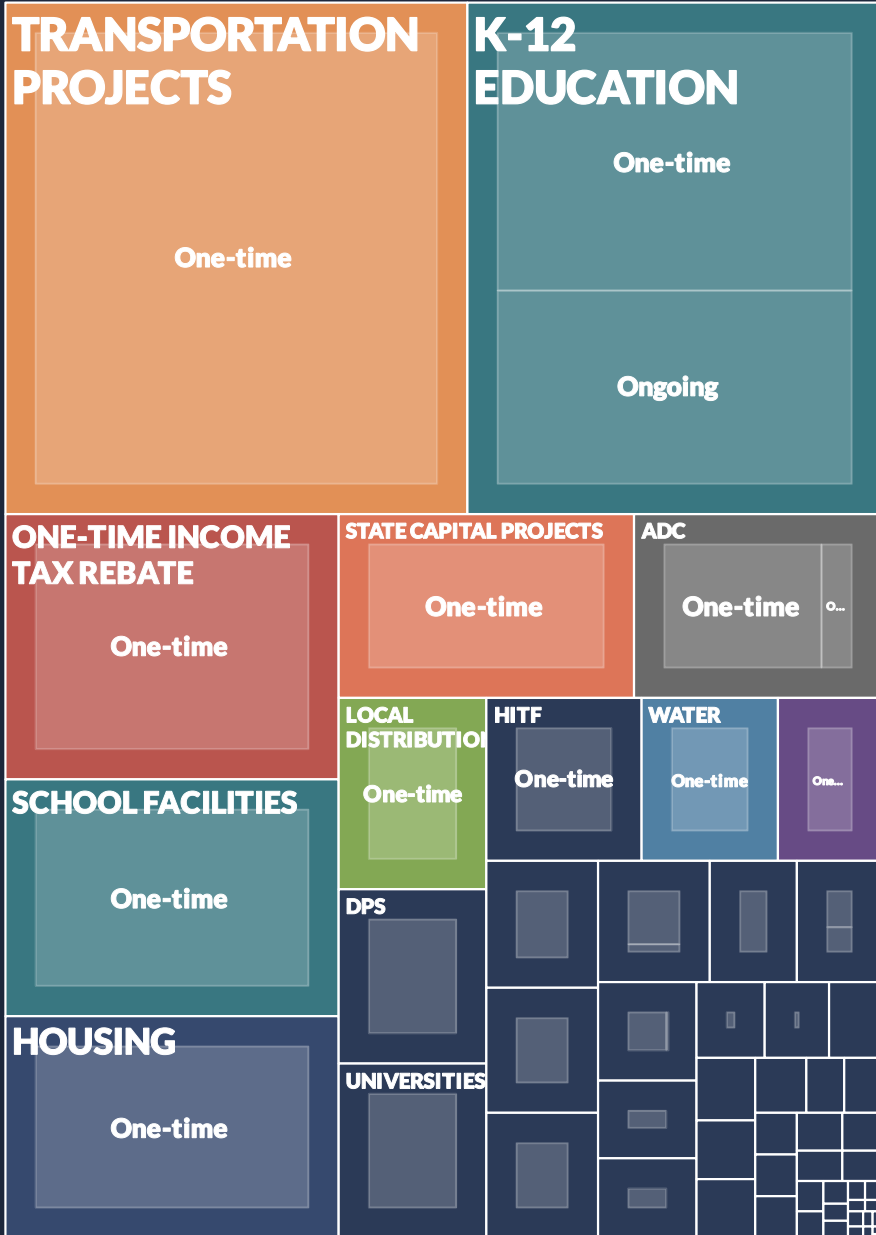
5/10

Hobbs, GOP lawmakers tout wins in budget as battle to define spending ahead

[Nick Phillips And Camryn Sanchez Arizona Capitol Times//May 15, 2023](#)

FY 2024 State Budget New Initiatives

Includes new spending items, excludes decreases in spending areas.



State Budget: Key Numbers

\$260M one-time income tax rebate in FY 2024

\$2.25B in net new one-time spending from FY 2023 to FY 2026

- \$2.58B in new one-time spending
- \$(270)M in previously enacted one-time spending

\$(6)M in ongoing spending changes in FY 2024

- \$133M in new ongoing spending
- \$(119)M in previously enacted ongoing spending

Dollars in millions*

| | FY2023 | FY2024 | FY2025 | FY2026 |
|-----------------------------|------------|--------------|------------|------------|
| Beginning Balance | \$4,709.4 | \$2,528.9 | \$7.8 | \$118.9 |
| Total Revenues | \$18,122.7 | \$17,827.3 | \$16,280.2 | \$17,352.2 |
| Total Expenditures | \$15,593.8 | \$17,819.5 | \$16,161.3 | \$16,564.8 |
| Ending Balance [^] | \$2,528.9 | \$7.8 | \$118.9 | \$787.4 |
| Ongoing Revenues | \$16,378.7 | \$15,558.4 | \$16,272.5 | \$17,233.5 |
| Ongoing Expenditures | \$14,451.3 | \$14,937.1 | \$15,576.7 | \$16,320.2 |
| Structural Balance | \$1,927.40 | \$621.30 | \$695.80 | \$913.30 |



FY 2024 STATE BUDGET

Local Projects

by county (as region)

\$633M in Transportation Projects

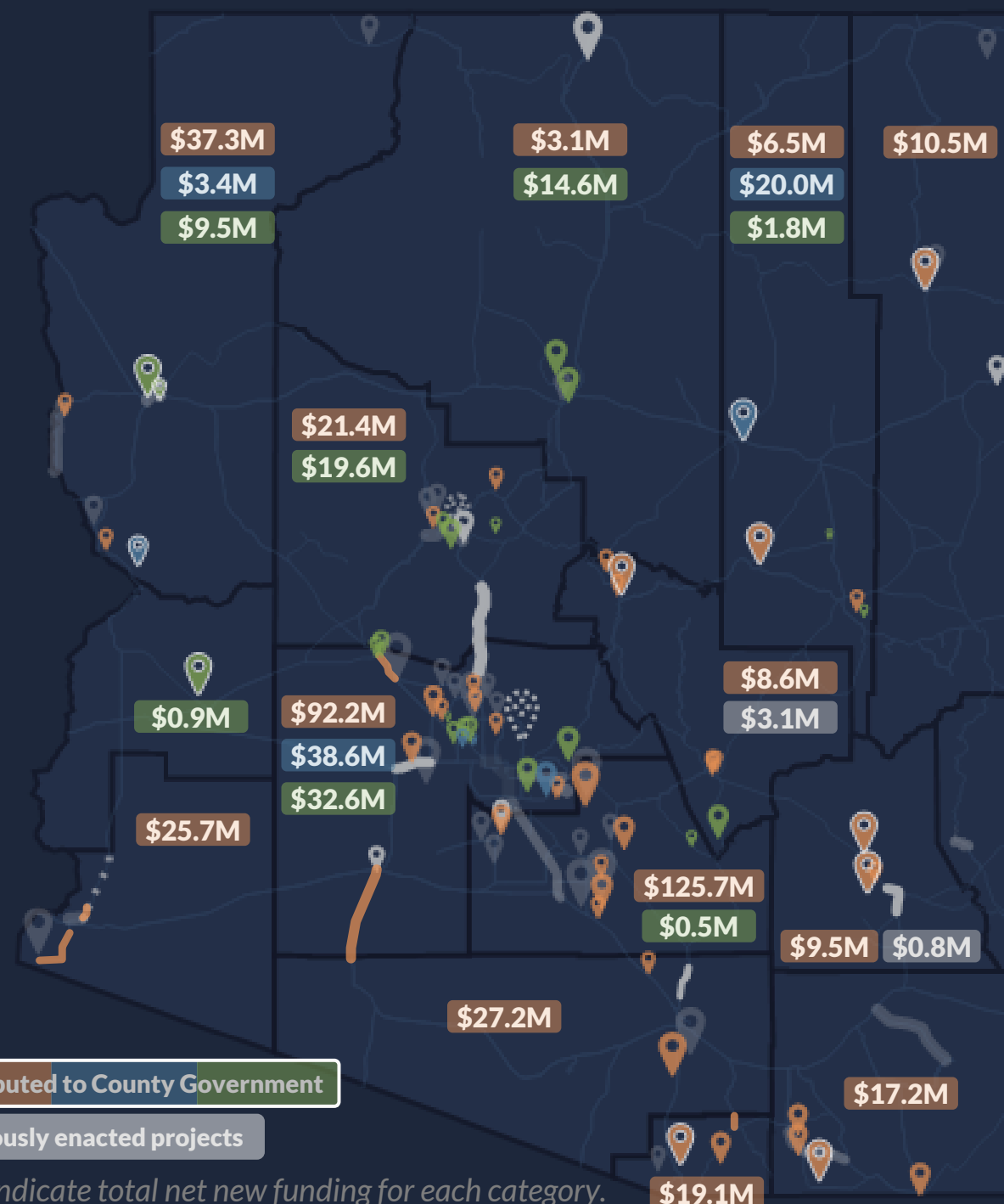
- \$54.3M for Rural payment rehabilitation
- \$12.5M SMART Fund Deposit
- \$89.0M for I-10 Expansion
- \$76.2M for I-17 Shortfall

\$62.0M in Local Water Projects

- Funded through prior \$1B WIFA appropriation

\$82.5M in Local Distributions

- Includes distributions to cities, towns, county or other entities within the county.



Distributed to County Government
 Previously enacted projects

Figures indicate total net new funding for each category.



Other New Initiatives with County Touchpoints

Public Safety

- \$7.0M** Coordinated Reentry Funding (baseline)
- \$2.5M** County Sheriffs Search and Rescue Equipment Fund
- \$1.0M** for local Law Enforcement Retention Initiative grants (50% match in urban counties; 25% match in rural counties)
- \$0.9M** for firearm training simulators for Mohave County Probation Department. Navajo County SO, Maricopa County SO
- \$76,000** for County Jail Education Program
- \$52,600** for Juvenile Center School Capital Improvements (Yavapai, Pinal, Maricopa)
- \$0.4M** Fund County Personnel Costs for Vehicle Theft Prosecution
- \$10,000** for Gila County Jail Education Program

Elections

- \$5.9M** for PPE funding
- \$5.0M** HAVA funding; 75% available for county election systems improvements

Water

- \$3.0M** for Water Project Assistance Grants in Navajo, Apache, Graham and Cochise (cities/towns/irrigation districts only)
- \$20.0M** for Little Colorado River levee
- \$3.4M** Mohave Wash Recharge Basin

Local Projects

- \$9.0M** Mohave County Sheriff Substations
- \$0.5M** Mohave Co. Mobile Command Sheriff Vehicles
- \$0.9M** La Paz County Dispatch Center
- \$3.0M** Gila County Veterans Retreat
- \$0.8M** to DES for Graham County Rehabilitation Center

Transportation Projects

- \$0.5M** Graham County Norton Rd/Reay Lane Intersection
- \$6.1M** Cochise County Moson Rd Drainage
- \$4.3M** Navajo County SR260 Improvements
- \$0.2M** Gila County Houston Mesa Rd SR260 to NF Route 199
- \$1.8M** Graham County Safford Bryce Road Improvements
- \$8.6M** Santa Cruz County I19 Rio Rico/Ruby Road Interchange

Misc.

- \$6.8M** ADOR Tax System Modernization fee on counties, cities and towns (2nd year)
- \$0.1M** County Title Protection Software Optin (SB 1110)
- \$0.3M** ongoing for State share 2 new judges (Yavapai, Yuma)



CSA Priorities

ADJC Cost Shift: Partially continued; **\$6.7M cost to Maricopa County**, **\$1.7M savings to Pima County**

Probation Officer Salaries:

- A late-night floor amendment **removed** language requiring counties to absorb additional costs to the state as a result of FY2024 salary adjustments
- Appropriated **\$6.75M** to cover the remaining state share of FY 2023 salary adjustments

EORP Debt Payoff: **Not included**

Flexibility Language: **Continued for FY 2024**

Local Infrastructure Matching Funds:

- New **Rural Broadband Accelerated Match (RBAM) fund**; **\$23.6M** deposit (*Counties eligible for 50%*)
- **\$12.5M** deposit to the **State Match Advantage for Rural Transportation (SMART)** program.

ALTCS: County contributions increase **\$13.5M (+3.8%)** from FY 2023



CSA Introduced Bills

SB 1211 *county attorney; representation; duties* **Ch. 8**

HB 2052 *counties; advertising contracts; term; notice* **Ch. 49**

HB 2669 *prohibition; biosolids; land application* **Ch. 167**

SB 1077 *jails; mental health; evaluations; treatment* **Ch. 91**



Reactive Advocacy

Evaluate

Deliberate

Engage

1,018 bills tracked

69 processed via LPC

12 supported

17 favorably amended

25 defeated



CSA Reactive Advocacy Policy Areas

General Government

- Limitation of county-relevant gubernatorial emergency powers.
- Attempts to split counties.
- Requiring officials to separately account for every communication bearing their name or likeness.

Retirement & Tax Policy

- Acceleration of commercial assessment ratio depreciation.
- Large-scale exemptions of specific business personal property from tax.
- Attempts to mandate sales taxes for remote sellers.

Courts & Criminal Justice

- Attempts to require full jury trials, on request, in a number of scenarios.
- Modifications to fees that fund the court system.

Public Health & Environment

- Attempts to expand the state's cottage food program.
- Requiring counties to provide water service in certain situations.
- Attempt to permit fireworks year-long.

Planning & Zoning

- Expansion of home-based businesses.
- Permitting shot-clocks.
- Preemption of zoning w/r/t solar and wind-energy power plants.
- Changes to annexation procedures/practices.

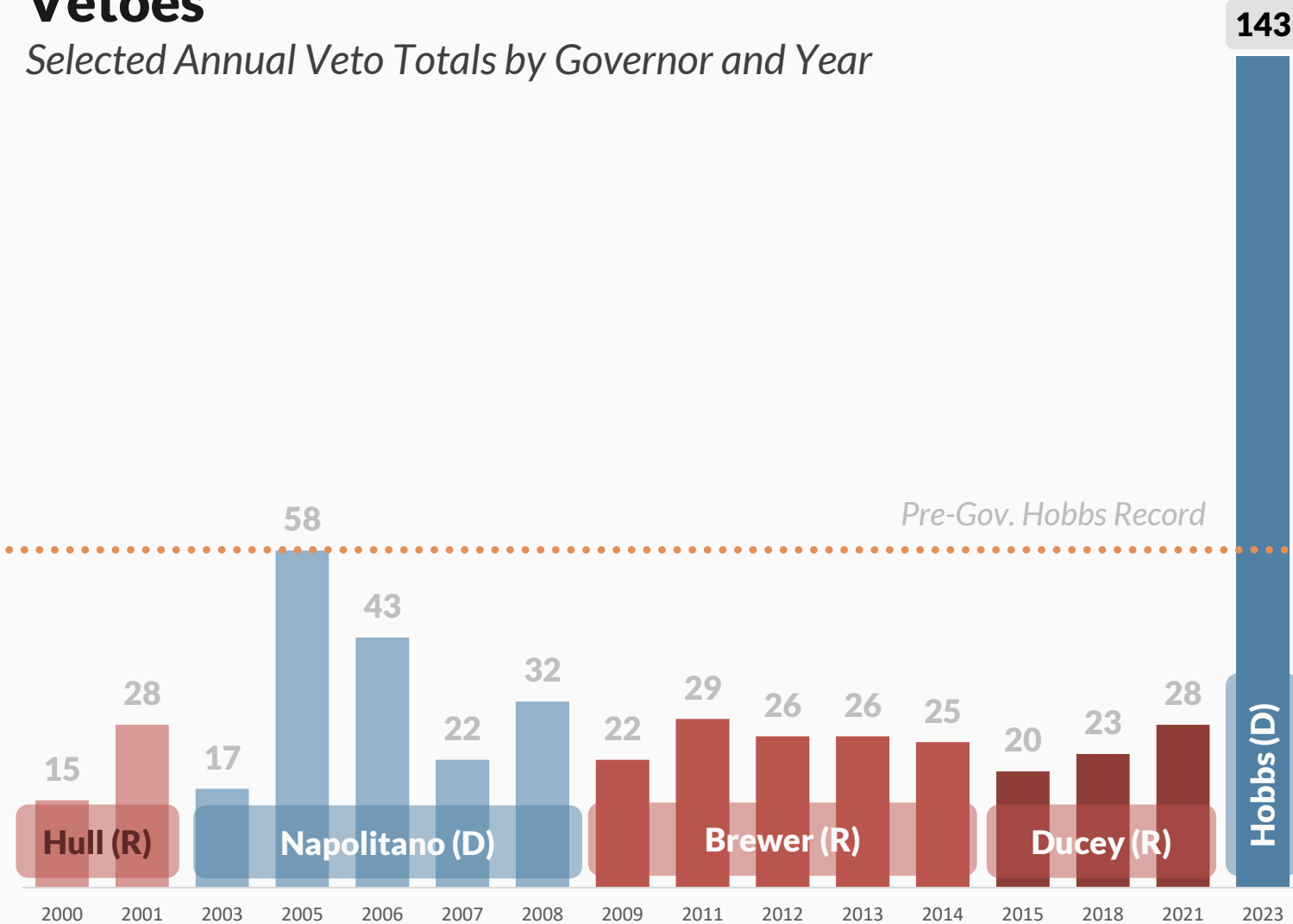
Elections

- Repeal of county ability to establish voting centers.
- Requirement to provide voter-driven on-site ballot tabulation at every precinct.



Veto

Selected Annual Veto Totals by Governor and Year



VETOES COUNTY-RELEVANT

SB 1162 home-based businesses; restrictions; prohibition (*Kaiser*)

SB 1413 homeless encampment; removal (*Wadsack*)

SB 1105 early ballots; election day tabulation (*Carroll*)

HB 2442 temporary non-expansion area (*Griffin*)

HB 2509 food; preparation; sale; cottage food (*Grantham*)

HB 2617 carrying of firearms; constables (*Bliss*)

Select Bills:

Bills of Concern: 2024

In 2023, the Legislature introduced 1,672 bills, memorials and resolutions. Here's what we expect to mount a comeback.

Tax Policy

- SB 1263 property tax; revisions (*Mesnard*)
- SB 1276 assessed valuation; class one property (*Mesnard*)
- SB 1325 TPT; administration; remote sellers (*Bennett*)

Court Reform

- SB 1429 civil action; preliminary hearing (*Wadsack*)
- SB 1431 right to jury; parent-child relationship (*Wadsack*)
- SB 1699 probate; mediation; trials (*Wadsack*)

Public Officials

- SB 1165 legislative vacancies; precinct committeemen; voting (*Kaiser*)
- SB 1258 public officers; announcements; report (*Mesnard*)
- SB 1445 office vacancy; discharge of duties (*Shope*)
- HB 2551 county salaries; approval (*Griffin*)

Procurement

- SB 1096 firearms; contracts; prohibited practices (*Carroll*)
- SB 1611 public entities; contracts; prohibition (*Kern*)

Housing/Homelessness

- SB 1022 pedestrians; selling goods; begging; medians (*Kavanagh*)
- SB 1024 public rights-of-way; unlawful acts (*Kavanagh*)

County Splits

- SB 1137 Maricopa County; division; new counties (*Hoffman*)

Elections

- SB 1695 election violations; disenfranchisement; new election (*Hoffman*)

Transportation

- SB 1245 VLT; cities and towns; counties (*Farnsworth*)
- SB 1312 vehicle mileage; tracking; tax; prohibitions (*Hoffman*)

Fireworks

- SB 1308 fireworks; aerial devices; retailers; licensure (*Gowan*)

Preemption

- SB 1278 **S/E** state preemption; appliances; restrictions; prohibitions (*Montenegro*)



Select Bills: General Government

Planning, Zoning & Enforcement

SB 1103 administrative review; approvals; development (*Petersen*)
HB 2019 licensing; permitting; criteria; clarity (*Grantham*)
HB 2381 mobile homes; recreational vehicles; fund (*Gress*)

Finance

Pensions

HB 2015 Retirement plans; plan election; rehire (*Livingston*)
HB 2028 PSPRS; contribution rates (*Livingston*)

Taxes

HB 2064 property tax exemption; disability; qualifications (*Carter*)

Emergency Powers

HCR 2039 governor; emergency powers (*Chaplik*)

Prop. 400

SB 1102 NOW: transportation excise tax; Maricopa County (*Carroll*)

Processes & Procedures

SB 1110 recorded documents; property; notification (*Rogers*)
SB 1211 county attorney; representation; duties (*Bennett*)
SB 1230 tax exemptions; affidavit (*Mesnard*)
SB 1270 open meetings; capacity (*Kavanagh*)
SB 1650 auditor general; duties; access (*Borrelli*)
HB 2052 counties; advertising contracts; term; notice (*Dunn*)
HB 2534 mortgaged property; tax statements (*Carter*)

Board Powers

HB 2438 board of supervisors; powers; water (*Griffin*)

Public Health

SB 1157 hospitals; discharge planning; patient assessments (*Shope*)
SB 1176 health professionals; address; confidentiality (*Kern*)
SB 1333 database; health professionals; license revocation (*Shamp*)
HB 2016 food handler certificates; training; exemption (*Cook*)
HB 2168 Good Samaritan; medical assistance (*Nguyen*)
HB 2194 drug overdose fatality review teams (*Nguyen*)

Population Thresholds

SB 1051 census adjustment; population threshold (*Shope*)

Address Confidentiality

SB 1061 public officials; home addresses; confidentiality (*Shope*)

Select Bills: Elections

The State Legislature v. Governor Katie Hobbs



Legislators introduced
119
elections-related bills

84 were
Republican

35 were
Democratic

62
received a
hearing

62 R

0 D

57
did not

22 R

35 D

35 bills
were transmitted to
Gov. Hobbs
or
Sec. Fontes

Of the **35 bills** approved by both
chambers

**One will
become law**

SB 1273
early ballot delivery;
instruction requirements
(*Bennett*)

**One was
struck .**

SB 1068
NOW: police dogs;
emergency treatment
(*Kavanagh*)

**Two will be
sent to the
Secretary of
State**

**One as a
statement
of opinion**

SCR 1037
elections systems;
equipment
(*Borrelli*)

**One as a
ballot
referral**

HCR 2033
primary elections; eligible
candidates
(*Smith*)

**31 have been
vetoed**

Prohibiting electronic
adjudication

Retention elections for
Court of Appeals

Requiring Legislature to
approve the EPM

On-site ballot
tabulation

Yearly purging of AEVL
rolls

Publication of ballot
images

Partisan city elections

Enshrining EPM
requirements in statute

Prohibiting payment
per voter registration

Select Bills:

Water

Executive Actions

Governor Hobbs establishes *Water Policy Council*.

- CSA Executive Director Craig Sullivan is one of the 37 individuals appointed to the Council.

Basin states reach short-term Colorado River compromise.

- To temporarily stave off federally imposed cuts – either by-right or pro-rata - California, Arizona, and Nevada have agreed to conserve 3 million acre-feet (MAF) of Colorado River Water over the next three years.
- Using already-approved funding from the Inflation Reduction Act (\$5 billion) the federal government will compensate users for the voluntary conservation of 2.3 MAF. 700,000 acre-feet of voluntary conservation will be uncompensated.

Release of new groundwater models.

- Hassayampa Sub-basin Groundwater Model (*January 20, 2023*).
 - Area is west of the White Tank mountains and northwest of Phoenix.
 - Over a 100-year period, the Hassayampa sub-basin will see total unmet demand of 4.4 MAF.
- Phoenix AMA Groundwater Model (*June 2, 2023*).
 - Phoenix AMA covers 5,646 square miles.
 - Over a 100-year period, the Phoenix AMA will see total unmet demand of 4.86 MAF.

Legislative Actions

Prioritizing member requests, Legislature earmarked nearly half of WIFA's FY '24 monies.

- To get the budget across the finish line, Legislative Leadership and Governor Hobbs tapped \$143 million from the \$333 million scheduled for WIFA's *Long-Term Water Augmentation Fund* in FY 2024.

Legislature expands eligibility for WIFA *Water Conservation Grant Fund*.

- Among other items, expands eligibility for the *Water Conservation Grant Fund* to Arizona's tribes and private water providers.

WIFA Actions

After last year's massive overhaul of the Authority, WIFA begins the grant application process.

- The first round of the Authority's *Water Conservation Grant Fund* applications closed in late-May. The second round is ongoing.

Select Bills:

Courts & Criminal Justice



Sentences, Penalties, and Injunctions

SB 1294 sex offender registration; online identifiers (*Kaiser*)

SB 1582 lifetime injunction; petition; procedures (*Kerr*)

HB 2169 child sex doll; exploitation (*Nguyen*)

Post-Conviction

HB 2339 prisoners; medical records; family access (*Shah*)

Juveniles in the Courts

SB 1197 juvenile offenders; monetary sanctions; repeal (*Gowan*)

HB 2516 child abuse; investigations; forensic interview (*B. Parker*)

Victims' Rights

HB 2482 sexual assault kits; victim notification (*Payne*)

Post-Release

SB 1036 setting aside conviction; certificate eligibility (*Kaiser*)

SB 1290 inmates; documentation; workforce reentry (*Kaiser*)

SB 1609 transitional housing; DOC; contracts (*Kern*)

HB 2055 probation; work time credits; reporting (*Wilmeth*)

Law Enforcement

SB 1369 certified peace officers; hiring reimbursement (*Gowan*)

HB 2446 smart and safe fund; distribution (*Martinez*)

HB 2478 aggravated assault; law enforcement employees (*Payne*)

HB 2485 ambush; police; sentencing enhancement (*Payne*)

Legislative Ballot Referrals

Next stop: November 5, '24

SCR 1006 death benefit; assault; first responders (Gowan)

- Creates the “*State Supplemental Benefit Fund*,” funded by an additional \$20 penalty “on every conviction for a criminal offense,” that would be used to provide \$250,000 death benefits to the spouse or children of a first responder killed in the line of duty.

SCR 1015 initiative; referendum; signatures; legislative districts (Mesnard)

- Presently, groups seeking to get initiatives and referendums on the ballot are required to get the signatures of 10% and 5% of the state’s qualified electors, respectively.
- **Were SCR 1015 to be approved**, groups would have to get identical proportions of signatures from the qualified electors of *each legislative district*.

HCR 2033 primary elections; eligible candidates (Smith)

- Specifies that direct primary elections for federal, state, county, and city offices must be conducted so that each qualifying political party may have candidates equal to the number of open seats at the general election.

HCR 2039 governor; emergency powers (Chaplik)

- **Puts a 30-day time limit on the Governor’s emergency powers for each individual emergency.** Allows longer time frames at the discretion of the Legislature.



End of Session Materials

56th Legislature 1st Regular Session

2023 Legislative Summary

FY 2023-2024 STATE BUDGET
As Passed by the House and Senate on May 10, 2023

SUMMARY

The Arizona House and Senate passed budget bills throughout the day on Wednesday, May 10, 2023. The budget bills were amended in both the Senate and the House to add some additional appropriations. The passed budget outlines a \$17.8 billion spending plan for FY 2024 that largely enacts one-time spending and revenue changes. This includes additional one-time funding for education, a reallocation of results-based funding for an ongoing increase in K-12 funding, an individual income tax rebate, capital and transportation infrastructure investments and a significant number of smaller one-time appropriations.

| Values in millions | FY 23 | FY 24 |
|--------------------|------------|------------|
| Beginning Balance | \$118.9 | \$118.9 |
| Total Revenues | \$15,942.2 | \$15,942.2 |
| Total Expenditures | \$15,942.2 | \$15,942.2 |
| Funding Balance* | \$0.0 | \$0.0 |
| Depositing to | \$17,233.5 | \$17,233.5 |
| Depositing from | \$15,942.2 | \$15,942.2 |
| Reversing | \$913.30 | \$913.30 |

MAJOR COUNTY ISSUES

- Arizona Department of Juvenile Corrections (ADJC) proposes \$6.7 million from the Department of Juvenile Corrections (ADJC) to the State of Arizona. ADJC 1724 modifies A.R.S. § 41-2832 to require that the State of Arizona pay for the cost of ADJC. ADJC 1724 also requires ADJC to pay for the remaining state share of probation officer salary increases approved by counties in FY 2023. ADJC 1724 Sec. 1.
- Probation Officer Salary: The Department of Juvenile Corrections (ADJC) proposes to increase probation officer salary increases in FY 2024. ADJC 1724 Sec. 2. ADJC 1724 Sec. 2 also requires ADJC to pay for the remaining state share of probation officer salary increases approved by counties in FY 2023. ADJC 1724 Sec. 2.
- EORP Debt Payoff: Does not include an appropriation towards reducing the EORP unfunded liability.
- Local Infrastructure Matching Funds: Creates a Rural Broadband Accelerated Match Fund (RBAMF) to assist political subdivisions in this state to meet the matching requirement for the federal BEAD program and deposits \$25.6 million into the fund. Allocates 50% to counties, with half for counties with a population above 100,000 and half for counties with a population below 100,000. Additionally, appropriates \$12.5 million to the SMART grant program for rural transportation local match grants. ADJC 1720 Sec. 19; ADJC 1722 Sec. 15; ADJC 1723 Sec. 2.
- Restricted Flexibility Language: As session law, allows counties with under 250,000 persons to use up to \$1.25 million of any county-wide special district funds to meet any county fiscal obligation. Counties County Supervisors Association - Updated May 17, 2023 - www.countysupervisors.org

County Finance Officer Guide 2023
Updated for 2023

County Supervisors FY 2023-2024 Revenue and Expenditure Projections

MEMORANDUM

DATE: May 16, 2023
TO: County Officials
FROM: CSA Staff
SUBJECT: County Revenue & Expenditure Projections for FY 2023-2024

Provided below are the projections of major federal and state revenue streams, as well as mandated payments required of counties through the year 2023-2024.

FY 2024 County Revenue & Expenditure Report

Payment in Lieu of Taxes (PILOT)

Full impact of PILOT was included through federal fiscal year 2023 (FY 2022) in the Consolidated Appropriations Act, 2023. PILOT payments for FY 2023 are projected to be \$1.2 billion. PILOT payments for FY 2024 are projected to be \$1.2 billion. PILOT payments for FY 2025 are projected to be \$1.2 billion. PILOT payments for FY 2026 are projected to be \$1.2 billion. PILOT payments for FY 2027 are projected to be \$1.2 billion. PILOT payments for FY 2028 are projected to be \$1.2 billion. PILOT payments for FY 2029 are projected to be \$1.2 billion. PILOT payments for FY 2030 are projected to be \$1.2 billion.

Highway User Revenue Fund (HURF)

As signed by the Governor on May 11, 2023, the FY 2024 budget does not include any new off-the-top diversions of HURF resources, maintaining the statutorily prescribed distribution. ADOT's official forecast projected \$344.9 million to be distributed to counties in FY 2024. Additionally, CSA has provided an additional HURF distribution.

Source: <https://www.azdhs.gov/health-with-usature-us-at-schools/categories>

A portion of the HURF distribution formula is based on unincorporated populations, currently reflecting the 2020 census. For a review of the full distribution chart, click here.

County Supervisors Association

County Supervisors COUNTY FLEXIBILITY LANGUAGE

In addition to statutory provisions, the State Budget signed by the Governor on May 11, 2023 included provisions for county financial flexibility. Please see below for a breakdown of the flexibility language contained in various parts of the state budget and statute.

Comprehensive Flexibility Language

As session law, allows counties with fewer than 250,000 persons (Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Santa Cruz, Yavapai, and Yuma) to use up to \$1.25 million from any source of county revenue, including countywide special districts controlled by the board of supervisors, to meet a county fiscal obligation for FY 2024. Counties are required to report whether the county used the flexibility language to the Joint Legislative Budget Committee (JLBC) by October 1, 2023, with the specific amount and revenue source.

FY 2024 County Flexibility Language

Restoration to Competency (RTC) Payments A.R.S. § 13-4512 includes "flexibility language" allowing counties to use any source of county revenue to meet the matching requirement for the federal BEAD program. ADJC 1724 Sec. 20 includes these payments from the ADJC.

Nonwithstanding any other law, a county may meet the cost sharing requirements of this section from any source of county revenue designated by the county board of supervisors, including but not limited to the board of supervisors or the board of directors.

Upcoming Events

2024 Policy Development

2024 Legislative Proposals

- Due on August 7, 2023 ✓
- County legislative proposals should be submitted to be considered by the Board at the CSA Summit.

Scheduled Meetings

Managers Meetings

- June 9, 2023 ✓
- August 11, 2023 ✓

CSA Board Meeting

- September 21, 2023

**2024 CSA Legislative Policy Summit
Hosted by Coconino County (Oct. 11 -13)**



Contact Information

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