

STATE & FEDERAL LEGISLATIVE UPDATE

CLIFF BRYSON



05/21/19 Presentation Outline

1. State Legislative Overview
2. State Budget Overview
3. Federal Legislative Overview
4. Bill Overview





State Legislative Update

General Legislative Overview

- ❖ 124 days of the session completed
- ❖ 258 bills transmitted to the Governor
- ❖ 237 bills signed by the Governor
- ❖ 7 bills were vetoed



State Legislative Update

State Budget Overview

- ❖ Senate Leadership plans to begin introducing budget bills as early as Monday May 20, 2019.
- ❖ January 19-March 19 showed a 6.2% (\$598 million dollar) state revenue growth which is above same time range in 2018.
- ❖ Governor Ducey wants to place roughly ½ billion dollars into rainy day fund (estimated to be a 1 billion surplus).
- ❖ Support for passing tax cuts consistent with federal tax adjustments and/or paying down state debt that added up during the recession.



State Legislative Update

State Budget Overview

- ❖ Continual support to increase education spending.
- ❖ Several bills introduced early in the sessions directing general fund revenues to infrastructure continue to part of the budget discussion. (*I-17, I-10 Widening study, Globe Bridge Project, tribal roads & Bridges, airports and statewide funding for county and municipal road systems*).



Federal Legislative Update

Federal Legislative Overview

- ❖ Draft House Energy and Water bill includes language making appropriations for energy and water development and related agencies for the fiscal year ending September 30, 2020 submitted on May 13.
- ❖ Bill provides substantial increases for the Army Corps budget.



State Legislative Update

SB1225: Appropriation; Developmental Disabilities Services Providers

- ❖ Introduced by Sen. Allen which would appropriate funding for social service providers in the city of Flagstaff with a match base clause.
- ❖ Continues to be a discussion item for the budget.
- ❖ City is continuing to work with the state to provide legal language on reporting requirements (AHCCCS).



State Legislative Update

HB2115: Landlord Tenant; State Preemption

- ❖ State preemption bill preempting cities and towns from enacting any regulations related to landlord-tenant issues.
- ❖ Excludes those regulations/ordinances addressing landlord tenant issues by a city and town adopted before December 31, 2018.
- ❖ Contains preemption clause still
- ❖ HB2115 is awaiting Senate Committee of the Wholes and vote.



State Legislative Update

SB1001: Highway Safety Fee

- ❖ Sponsored by Sen. Ugenti-Rita
- ❖ Would repeal the \$32 Highway safety fee passed in 2018 to eliminate the HURF transfers to Highway Patrol.
- ❖ Amendment adopted to require the Highway Patrol to be fully funded by the General Fund.
- ❖ Possibility of driving down the fee to \$24



State Legislative Update

SB1147 S/E Tobacco Products; Vapor Products

- ❖ Strike everything amendment bill.
- ❖ Unnecessary preemption of local public health and safety regulations.
- ❖ passed with a (Do Passed Amended) on May 15.



State Legislative Update

HB2473: State Liquor Board; Membership

- ❖ Introduced by Rep. Kern
- ❖ which would have provided more local representation on the state local board.
- ❖ Governor vetoed on May 14
- ❖ Governor stated that the bill added an additional step to the nomination process resulting in inconsistencies in the selection process.
- ❖ Supportive of future discussion



State Legislative Update

HB2672:Vacation Rentals; Short-Term Rentals; Regulation

- ❖ Introduced by Rep. Kavanagh
- ❖ Provides regulations on short-term rentals and providing penalties for violations for cities and towns.
- ❖ Transmitted to Governor on May 15.



State Legislative Update

Wayfair

- ❖ Amended Language excluded Feedstore toggle (All other toggles were included)
- ❖ Amended language include a 5-year moratorium instead of a 7-year moratorium
 - ❖ Addresses no attacks on the Model City Tax Code
- ❖ No offsetting of revenues include in language

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Questions

