



## **City Council Weekly Information Packet**

Friday, March 17, 2023

Includes the following documents/information:

- 1) City Council Events Schedule
- 2) State and Federal Update & Grant Opportunities
- 3) Quarterly Financial Report FY 2022-23 Q2



# City Council Events Schedule

**March 17, 2023 thru April 28, 2023**

The Mayor and City Council have been invited to attend various community meetings and public and private events at which a quorum of the City Council may be present. The Council will not be conducting city business, nor will any legal action be taken. This is an event only and not a public meeting. A list of the community meetings and public and private events along with the schedules, dates, times, and locations is attached. Organizers may require a rsvp or fee.

Fri	Mar 17	8:00 a.m. – 1:30 p.m.	Friends of Transit Conference  Location: Hyatt regency 122 N. 2 <sup>nd</sup> Street Phoenix, AZ
Sat	Mar 18	9:00 a.m. – 12:00 p.m.	Care Fair Tempe 2023/ Tempe Human Services Day  Location: Tempe Community Complex Outdoor Courtyard 3500 S. Rural Road Tempe, AZ
Sat	Mar 18	2:00 p.m. – 4:00 p.m.	Brentwood Cavalier Cake and Ice Cream Social and Spring Neighborhood Association Meeting  Location: 306 E. Del Rio Drive Tempe, AZ
Mon	Mar 20	12:00 p.m.	Proposed Tobacco Ordinance Updates Virtual Meeting  Zoom Link: <a href="https://tempe.gov/TobaccoOrdinance">tempe.gov/TobaccoOrdinance</a>
Mon	Mar 20	6:00 p.m.	Proposed Tobacco Ordinance Updates In-person Meeting  Location: Tempe Public Library – Desert Willow Room 3500 S. Rural Road Tempe, AZ
Wed	Mar 22	4:30 p.m. – 7:30 p.m.	Geeks Night Out – Tempe’s Annual STEAM Festival  Location: Tempe Public Library 3500 S. Rural Road Tempe, AZ
Sat	Mar 25	11:00 am. – 3:00 p.m.	Art of Coexistence Festival  Location: Arizona Heritage Center 1300 N. College Avenue Tempe, AZ
Sat	Mar 25	1:00 p.m. – 2:00 p.m.	Kiwanis North Playground Improvements Open House

			Location: Kiwanis Park North Playground 5233 S. Ashe Avenue Tempe, AZ
Mon	Mar 27	12:00 p.m. – 6:00 p.m.	Tempe Tomorrow: General Plan 2050 Virtual Forums  Zoom Link: <a href="https://tempe.gov/2050">tempe.gov/2050</a>
Wed	Mar 29	11:00 a.m. – 11:30 a.m.	Groundbreaking for Wexford Development’s First and Farmer Project  Location: First and Farmer 206 S. Farmer Avenue Tempe, AZ
Wed	Mar 29	5:00 p.m. – 7:00 p.m.	Arts in the Parks Mitchell Park Reopening Celebration  Location: Mitchell Park 900 S. Mitchell Drive Tempe, AZ
Thur	Mar 30	11:00 a.m. – 12:00 p.m.	Ribbon Cutting: United Pet Care  Location: United Pet Care 1738 W. Broadway Road #213 Tempe, AZ
Sat	April 1	9:00 a.m. – 11:00 a.m.	Neighborhood Celebration  Location: Kiwanis Park Fiesta Ramadas 6111 S. All-America Way Tempe, AZ
Sun	April 2	7:30 a.m. – 10:00 a.m.	Tour de Tempe Bike Ride  Location: Kiwanis Parking Lot, West Tempe AZ
Tues	April 4	4:00 p.m. – 6:00 p.m.	Mayor’s All Abilities Awards  Location: Tempe Center for the Arts 700 W. Rio Salado Parkway Tempe, AZ
Tues	April 11	6:00 p.m. – 8:00 p.m.	Annual Ramadan Dinner  Location: Tempe History Museum Community Room 809 E. Southern Avenue Tempe, AZ
Fri	April 14	6:30 p.m. – 9:30 p.m.	VICINITY Tempe  Location: Arizona Heritage Center 1300 N. College Ave. Tempe, AZ

Sat	April 15	6:00 p.m. – 9:30 p.m.	Childsplay’s World of Wonder Gala  Location: The Clayton House 3719 N. 75 <sup>th</sup> Street Scottsdale, AZ
Tues	April 18	5:00 p.m. – 7:00 p.m.	Arts in the Parks: Spring Celebrations (Indian Bend Park)  Location: Indian Bend Park 150 E. Marigold Lane Tempe, AZ
Wed	April 19	5:00 p.m. – 7:00 p.m.	Arts in the Parks: Spring Celebrations (Corbell Park)  Location: Corbell Park 7300 S. Lakeshore Drive Tempe, AZ
Thur	April 20	7:00 p.m. – 8:00 p.m.	Youth Mental Awareness  Location: Chandler/Gilbert Family YMCA 1655 W. Frye Road Chandler, AZ
Tues	April 25	5:00 p.m. – 7:00 p.m.	Arts in the Parks: Spring Celebrations (Selleh Park)  Location: Selleh Park 2425 S. Los Feliz Drive Tempe, AZ
Wed	April 26	5:00 p.m. – 7:00 p.m.	Arts in the Parks: Spring Celebrations (Scudder Park)  Location: Scudder Park 5805 S. Lakeshore Drive Tempe, AZ
Fri	April 28	7:30 p.m. – 9:00 p.m.	Music Under the Stars - 14th Annual Performance  Location: Tempe Diablo Stadium 2200 W Alameda Dr. Tempe, AZ
Sat	April 29	10:00 a.m. – 12:00 p.m.	Mayor’s Annual Volunteer Appreciation Event  Location: Pyle Adult Recreation Center 655 E. Southern Ave. Tempe, AZ
Tues	May 2	5:00 p.m. – 7:00 p.m.	Arts in the Parks: Spring Celebrations (Hollis Park)  Location: Hollis Park 3421 S. Kenneth Place

			Tempe, AZ
Wed	May 3	5:00 p.m. – 7:00 p.m.	Ars in the Parks: Spring Celebrations (Harelson Park)  Location: Harelson Park 9325 W. Warner Ranch Drive Tempe, AZ
Thur	May 4	7:00 p.m. – 8:15 p.m.	Excellence in Education  Location: Showroom at Wild Horse Pass 5040 Wild Horse Pass Boulevard Chandler, AZ
Tues	May 9	5:00 p.m. – 7:00 p.m.	Arts in the Parks Spring Celebrations (Optimist Park)  Location: Optimist Park 2000 E. Sesame Street Tempe, AZ

03/17/2023 JR

# MEMORANDUM



TO: Mayor and City Council  
THROUGH: Andrew Ching, City Manager  
FROM: Marge Zylla, Government Relations Officer  
DATE: March 17, 2023  
SUBJECT: State and Federal Update & Grant Opportunities

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Below are summaries of recent actions and announcements at the state and federal level:

- FY 2024 Community Project/Congressionally Directed Funding Requests
- Support Letter for AZ Environmental Infrastructure Program
- National League of Cities Rail Safety Letter to Congress
- Governor Executive Orders
- State Legislative Update

Please let me know if there are follow-up questions for Tempe's federal lobbyist. Also, please let me know if Tempe staff members are pursuing federal grants so we can arrange for letters of support from our Congressional delegation.

## **FY 2024 Community Project/Congressionally Directed Funding Requests**

Senators Kelly and Sinema and Congressman Stanton's offices released forms with the opportunity to submit city projects and programs for federal funding through the Appropriations process. These requests are known as Congressionally Directed Spending Requests, and also known as Community Project or Program Funding. The projects are required to meet standards relevant to the funding sources from specific federal departments and have capped amounts depending on the source. The City of Tempe submitted 3 Community Project Funding requests to each member of Tempe's federal delegation:

- North Tempe Affordable Housing Revitalization
- Kyrene Reclamation Facility – Recharge Wells Pipelines
- Kyrene Reclamation Facility – Recharge Well 4

## **Support Letter for AZ Environmental Infrastructure Program**

Mayor Woods joined other Arizona mayors in signing onto a letter to Congressman Stanton to express support for the \$200 million Arizona Environmental Infrastructure Program. The letter was circulated by the League of Arizona Cities and Towns and the text of the letter is included below.

Dear Congressman Stanton:

As members of the League of Arizona Cities and Towns, we are writing to express our strong support for the \$200 million Arizona Environmental Infrastructure program (Section 595), which will bring critically needed infrastructure assistance to Arizona's aging and dilapidated water systems. We applaud you for introducing and shepherding this important provision into law, and we look forward to working with you to see additional federal funds allocated for it in fiscal year 2024.

As you know, the American Society of Civil Engineers (ASCE) has graded Arizona's drinking water and wastewater systems as C- and C respectively. According to the ASCE, over the next 20 years, Arizona will have \$9.13 billion in drinking water and \$6.77 billion – more than \$15 billion – in wastewater infrastructure needs. To help address these infrastructure challenges, additional federal investments are needed, particularly in small, rural, and tribal communities that lack the financial resources to do the necessary repairs and replacements.

To date, nearly two dozen communities, counties, and tribal nations have submitted requests to the Arizona program totaling more than \$175 million to support a wide variety of water infrastructure projects, several of which will help mitigate the impacts of the ongoing drought in the Colorado River Basin.

As you continue to work with your colleagues and the House Appropriations Committee on your fiscal year 2024 funding priorities, we urge you to ensure that Arizona receives its fair share of funding for the Arizona Environmental Infrastructure program (Section 595) so we can continue to address the \$15 billion in water infrastructure needs across the state.

Thanks for your work to advance the water infrastructure needs of Arizona's Cities and Towns. We stand ready to work with you to pursue this worthwhile and needed funding.

## **National League of Cities Rail Safety Letter to Congress**

Mayor Woods joined elected officials across the country in signing onto a letter from the National League of Cities regarding rail safety. The text of the letter is included below and includes a link to the NLC rail safety recommendations.

Members of the U.S. Senate and House of Representatives:

Railroads are part of America's communities, and that is why my city and the National League of Cities support action by Congress to improve rail safety in the U.S.

The unfortunate derailment and environmental contamination in East Palestine, Ohio is not unprecedented. There are more than 1,000 trains derailing each year in multiple states. With 140,000 miles of track in the U.S. crossing directly through thousands of cities, towns and villages, the severity of this derailment requires proactive reflection on rail safety actions that Congress can take now. Here are our detailed rail safety recommendations to Congress - [www.nlc.org/wp-content/uploads/2023/03/NLC-Rail-2023-Priorities-Letter-3.1.23.pdf](http://www.nlc.org/wp-content/uploads/2023/03/NLC-Rail-2023-Priorities-Letter-3.1.23.pdf).

We are encouraged by the introduction of the bipartisan Railway Safety Act of 2023 in the Senate which would improve rail safety, and House members have provided additional proposals to expand the list of chemicals reported so that when – not if - a derailment happens first responders know what they are dealing with.

We ask for Congress to act now on rail safety on behalf of thousands of cities, towns and villages who want to see rail safely moving through their communities.

### **Governor Executive Orders**

The Governor signed an Executive Order today prohibiting race-based hair discrimination. This mirrors the November 2021 Tempe City Council action to incorporate the CROWN Act into the City of Tempe Anti-Discrimination Ordinance. The Executive Order is at [this link](#). Tempe's press release on the Crown Act local action is at [this link](#).

### **State Legislative Update**

Today is the 68th day of the 2023 state legislative session and 1,626 bills have been introduced. Of the 18 bills that have passed, 16 have been vetoed and 2 have been signed into law. The last date for House consideration of Senate bills and Senate consideration of House bills is 3/24/23. The bills of interest to Tempe will be added to lists (described below). Bills of significant interest will be highlighted in memo summaries as the proposals are amended in the legislative process.

### **Bill Lists**

Staff is analyzing legislative proposals as they become available. The lists will be adjusted to reflect the latest available information. Bills that have failed to meet deadlines or have not received sufficient votes will be noted as "Dead".

The tracking list that follows this memo includes the summaries of bills that may be of interest to Tempe. These lists are not exhaustive, and as more analysis is done, comments will be included. Readers can use the search/find tool (keyboard shortcut: press "Ctrl" and the "F" key) to search for terms of interest, like "fireworks", "rentals", "zoning", "safety", etc. Readers can also search the list by department to quickly be brought to the header under which there is a sublist of bills that may impact a specific area of city operations, for example: "Community Development" or "FMR".

In addition to the bills on the tracking list, the city will also be monitoring for proposals in areas including the following:

- Affordable Housing
  - As noted in earlier Weekly Information Packet memos, Mayor Woods submitted a list of legislative solutions for consideration in his role as a member of the statewide legislative housing supply study committee. The city will be monitoring and analyzing housing proposals throughout the session and aim to see the solutions shared by Mayor Woods become bill proposals. Unfortunately, of the bills that include these provisions, none have been scheduled for a hearing as of this writing.



- The city is collaborating with other cities to develop language that could be used as a strike-everything amend that would include affordable housing components that could be deployed locally.
- Fireworks
- Liability Issues
- Local Governance
  - Efforts to preempt city charters, the authority for local governance, can be found in SCR 1023 and SCR 1027. The city opposes these anti-charter efforts.
    - Tempe voters have voted on charter provisions for the city of Tempe, and these types of proposals seek to put that into question with voters across the state.
    - A summary page prepared by the League of AZ Cities and Towns is highlights the types of voter-approved restrictions that this type of resolution, if passed, would remove. The page is attached.
    - The bills may be subject to amendments with a population threshold, but the city retains opposition to the concept of the legislature attempting to undermine local voters and the charter authority granted in the Arizona Constitution.
- Local Zoning Issues
  - The city opposes the strike-everything amendment on SB 1117, which includes preemption language that would upend the city's voter-approved General Plan and aim to remove transparency and public access from planning activities. The bill also does not include any language that advances policies for guaranteed affordable housing.
  - Mayor Woods testified against the bill in the committee (video at [this link](#)), noting that this proposal would have the result of blocking affordable housing developers from building needed guaranteed affordable housing in the city.
  - An earlier memo included a one-page visual of the average lot size in every US state. It provides an illustration that Arizona is one of the smallest average lot sizes—the 48<sup>th</sup> smallest.
  - This bill failed on the Senate floor. The sponsor of the bill has called for reconsideration of SB1117 (a procedural mechanism to allow for bills that die on the floor to come back for another vote from the same body), so we are monitoring it for a future vote.
- Proposition 400 Extension Authorization
  - As of this writing, there are a number of proposals that have been introduced on the topic of the extension of the Proposition 400 regional half-cent tax that supports transportation projects and programs in Maricopa County.
    - The city currently opposes the strike-everything amendment on HB 1246, which has funding allocations that do not reflect the unanimously approved regional plan. However, the other components of the bill mirror the needed language, so this bill could be favorable if the allocation proportions are updated. This bill was advanced out of its House committee this week and the city looks forward to continuing the conversation to adjust the allocation language in the bill.
    - The city supports HB 2527, which reflects the regional transportation plan which was unanimously approved by the elected representatives serving on the Maricopa Association of Governments, including Mayor Woods. This bill is dead.
    - The city currently opposes the strike-everything amendment on HB 2031, which has funding allocations that do not reflect the unanimously approved regional plan. However, the other components of the bill mirror the needed language, so this bill could be favorable if the allocation proportions are updated. This bill was not ultimately voted on in committee. This bill is dead.
    - The city opposed SB 1122, which does not reflect the unanimously approved regional transportation plan. A previous memo included a summary of the bill from Valley Metro, the region's transit agency of which the City of Tempe is a member. Vice Mayor Jennifer Adams represents Tempe on the Valley Metro Boards. This bill failed.

- SB 1505 has favorable language but has not met the deadline to be heard in its chamber of origin.
- Short Term Rentals
  - There are a number of introduced bills and referenda regarding short-term rentals this session. Some of these proposals would remove the state preemption on local regulations of short-term rentals, which the city would support. To date, these proposals have not been scheduled for hearings.
- Taxation Proposals
  - The city opposes the tax break proposals for entities that are in the businesses of residential rentals and for businesses that sell food for home consumption, which have been introduced as HB 2067/SB 1184 and HB 2061/HB 1063/HB 1089, respectively.
    - This would result in a combined revenue loss to the city of over \$26 million annually, and would give a tax break to specific interests that would exclude them from contributing to the transaction privilege taxes that are remitted by other companies doing business in the city. These revenues fund programs, capital investments, infrastructure projects, public safety, and services including affordable housing construction and rental assistance.
    - HB 2067, SB 1184, HB 2061, and SB 1063 passed out of their respective initial committees on party line votes.
    - SB 1184 passed out of the Legislature and the city urged a veto. The Governor vetoed SB 1184 on 2/23/23. Governor's Office press release is at [this link](#) and the veto letter is linked [here](#).
    - Fiscal notes are available (and linked) on the following: [HB 2067](#), [SB 1184](#), [HB 2061](#), [SB 1063](#).
    - The League of AZ Cities and Towns has distributed materials noting the issues with these bills and those documents were attached to earlier memos.
    - Tweet with the video illustrating the important revenue streams is at [this link](#).
- Tobacco/Vaping
- Water Policy
  - The city opposes SB 1660, which is similar to a problematic proposal that was defeated in last year's session, that attempts to undermine the regional mechanism for water supply. There is the potential for some industrial water users to be incentivized to extract fossil groundwater, would expand those companies' access to pumping in an unprecedented way, and would threaten the aquifers relied upon by municipal water users.
  - We anticipate a strike-everything amendment this coming week regarding graywater projects. We will continue to monitor for language and evaluate potential impacts to the city.

The city's framework for responses to legislative proposals is the Council supported Tempe State Legislative Principles, which are available at [this link](#).

# CAO

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## HB2019 - Licensing; permitting; criteria; clarity

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**Summary:** If a county or municipality requires a license or permit for any constitutionally protected activity or any activity that changes the use, appearance, or design of a structure or land, the county or municipality is required to state in clear and unambiguous language the criteria for granting the license or permit. Counties and municipalities are required to grant or deny an application for such a license or permit within 60 days. Some exceptions. AS PASSED HOUSE

**Comment:** Oppose

**Tracking Lists:** CAO, Community Development, Engineering and Transportation, Community Services

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## HB2156 - Governmental entities; proxy voting; prohibitions (Proxy voting; governmental entities; prohibition)

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**Summary:** A governmental entity that establishes or maintains a "plan" (defined as any plan, fund, or program established or maintained by the state or a political subdivision to provide retirement income or benefits to employees, defer income by employees, or invest taxpayer monies for any purpose) is required to make all direct investment decisions based solely on pecuniary factors when evaluating an investment, and is required to vote all directly held shares. The entity may not have the directly held shares voted, based solely on pecuniary factors when voting proxies. Also, all state investments made by the State Treasurer are required to be made in the sole interest of the beneficiary taxpayer. AS PASSED HOUSE

**Tracking Lists:** HR, CAO, Finance Budget Procurement Audit

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## HB2214 - Session law; font color

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**Summary:** Legislative Council is required to use a font color other than black when preparing or revising temporary law for bills and amendments.

**Tracking Lists:** CAO

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## HB2223 - Liquor; licensing; processes; procedures

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**Summary:** Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary microbrewery festival liquor license that authorizes the sampling of the microbrewery products on the festival premises and the sale of products for consumption on the festival premises. A microbrewery festival location must be approved by the county board of supervisors or municipal governing body as applicable. Increases the maximum value of promotional items furnished by a liquor wholesaler to a retailer in a calendar year to \$700, from \$500. Beginning with tax periods that begin January 1, 2024 and after, allows specified liquor licensees to pay luxury privilege taxes on an annual basis instead of a monthly basis. A liquor licensee that has off-sale privileges and that delivers spirituous liquor is required to complete a written record of each delivery at the time of delivery. Information that must be included in the written record is listed. The licensee is required to obtain the name, date of birth, and signature of the individual who accepts the delivery of spirituous liquor. AS PASSED HOUSE

**Comment:** Potential opportunity for amending language

**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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## HB2309 - Law enforcement; sovereign authority (Sovereign authority; law enforcement)

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**Summary:** On demand by the Legislature, either house of the Legislature, or any member of the Legislature, the Attorney General is required to render a written opinion to determine the constitutionality of any federal law, treaty, order, rule, regulation, action, or program that is alleged to be inconsistent with or contrary to the authority of state or local law enforcement agencies. The laws of Arizona are required to be interpreted and construed to protect Arizona's sovereign authority against federal actions. Any law, treaty, executive order, rule, or regulation of the U.S. government that has been found by the U.S. Supreme Court or Arizona Supreme Court to violate Article II, Section 3 of the state Constitution or the 10th amendment to the U.S. Constitution is null and unenforceable in Arizona. AS PASSED HOUSE

**Tracking Lists:** CAO, PD

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## HB2321 - Adverse actions; religious; political beliefs

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**Summary:** A "government agent" (defined) is prohibited from "taking or participating in an adverse action" (defined as investigating, prosecuting, or similar action against any natural person if the government agent's decision to do so is motivated in whole or in part by an "unlawful animus" (defined as a disagreement with or dislike of a person's religious or political beliefs, positions, associations, or expression), even if that natural person would otherwise properly be the subject of the adverse action. No court in Arizona has jurisdiction over an adverse action brought in violation of this prohibition. All judgments and decisions rendered in violation of this prohibition shall be set aside. Any evidence obtained pursuant to a search or seizure that is in violation of this prohibition is inadmissible in any administrative, civil or criminal proceeding. An arrest that is made in violation of this prohibition is invalid. If a government agent violates this prohibition, the person whose rights are violated is authorized to bring a cause of action in state or federal court against both the government agent and the government entity that employs or contracts with the government agent, except that the state is not subject to a suit in federal court. Contains legislative findings.

**Tracking Lists:** CAO, PD

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### HB2335 - Cat declawing; prohibition; exceptions.

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**Summary:** A veterinarian is allowed to perform a "declawing," "onychectomy" or "tendonectomy" (all defined) of a cat only if the veterinarian is licensed and the procedure is for a "therapeutic purpose" (defined). A veterinarian who performs any of these procedures is required to keep a record for each cat with specified information. Violations are subject to a civil penalty of \$1,000 for a first violation and \$1,500 for a second or subsequent violation.

**Tracking Lists:** Neighborhoods, CAO

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### HB2340 - Pet dealers; state preemption; repeal

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**Summary:** Repeals statute prohibiting local regulations or ordinances that impose requirements on pet dealers in excess of state law or that prohibit the sale of cats by a pet store or pet dealer.

**Tracking Lists:** Neighborhoods, CAO

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### HB2348 - Auxiliary containers; regulation; prohibition; repeal

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**Summary:** Repeals statutes prohibiting counties and municipalities from imposing a tax, fee, assessment, charge or return deposit on a consumer or an owner, operator or tenant of a business, commercial building or multifamily housing property for "auxiliary containers" (defined as reusable bags, disposable boxes, beverage cans, bottles, cups and containers that are made from specified materials and that are used for transporting merchandise), and from regulating the sale, use or disposition of auxiliary containers by an owner, operator or tenant of a business, commercial building or multifamily housing property.

**Tracking Lists:** Sustainability & Resilience, CAO

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### HB2377 - Public officers; lobbying; prohibition

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**Summary:** A public officer is prohibited from lobbying for compensation before any public agency. AS PASSED HOUSE

**Tracking Lists:** CAO

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### HB2441 - State tree; residential planning

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from enforcing any ordinance, code, or regulation, and from imposing as a condition for approving a building or use permit any regulation that prohibits or restricts the use or placement of the state tree (the palo verde) in a residential housing development. Some exceptions. AS PASSED HOUSE

**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Economic Development

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### HB2517 - Government documents; sex identification

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**Summary:** A document issued by any agency, board, commission or department of Arizona or a political subdivision of Arizona that is required by law to indicate an individual's sex may only indicate the individual's sex as either male or female.

**Tracking Lists:** CAO

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### HB2630 - Tobacco; alternative nicotine; vapor products

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**Summary:** Retail tobacco vendors are prohibited from selling "alternative nicotine products," "tobacco products," or "vapor products" (all defined) to persons under 21 years of age. If a person reasonably appears to be under 30 years of age, a retail tobacco vendor is prohibited from not selling tobacco products, alternative nicotine products or vapor products to the person without first examining the person's government-issued photo identification to establish that the person is at least 21 years of age. Every retailer that sells or offers to sell tobacco products, alternative nicotine products or vapor products to consumers in Arizona is required to register each retail location with the Arizona Department of Revenue (ADOR) on a form and in a manner prescribed by ADOR. The registration shall be accompanied by an annual fee in an amount to be determined by the ADOR Director. Beginning January 1, 2024, a retailer is prohibited from selling tobacco products, alternative nicotine products or vapor products in Arizona unless the retailer has registered with ADOR, has paid all applicable fees, and is in compliance with all rules adopted by ADOR. Establishes penalties for violations. Severability clause. Effective January 1, 2024.

**Comment:** Failed in committee

**Tracking Lists:** CAO, PD, Economic Development

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### HB2808 - Public records; time frame

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**Summary:** An entity that is subject to a public records request is required to provide, within five business days after receiving a request for the records, a notification that includes specified information, including the expected date the request will be processed. An entity that willfully or intentionally refuses to comply with public records request laws or otherwise acts in bad faith is subject to a civil penalty of \$500 to \$5,000 for each occurrence. AS PASSED HOUSE

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**Comment:** Amended in cmte this week. Earlier: Oppose. Problematic language that does not offer sufficient time for responsible redaction (e.g victims' and/or r information) and compilation of records.

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**Tracking Lists:** CAO, Clerk and Elections, PD, Finance Budget Procurement Audit

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### **HB2809 - Public infrastructure improvements; reimbursement**

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**Summary:** Deletes the \$100 million aggregate maximum amount on payments to all counties and municipalities to reimburse the cost of public infrastructure improvements for the benefit of a manufacturing facility.

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**Comment:** Local government supported

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**Tracking Lists:** CAO, Community Development, Economic Development

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### **HCR2018 - Maricopa county; division; new counties**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend state statute to divide Maricopa County into four counties by modifying Maricopa County boundaries and adding three new counties: Hohokam County, Mogollon County, and O'odham County. Maricopa County operation: continue in their existing form through a transition period of up to three years after the effective date of this legislation. The boards of supervisors of Hohokam, Mogollon, and O'odham Counties will be elected at a special election held within 120 days after the effective date of this legislation. Current elected Maricopa County Supervisors continue in their capacity for the remainder of their term in whichever county their supervisory district is located. Elected boards of supervisors in the three new counties will determine an application process for municipalities to apply to be the county seat, which determined at a special election to be held within 120 days from the election of the boards of supervisors. The four counties are authorized to enter into a ten-year shared use agreement for the use of existing shared capital assets. The four counties are required to enter into an intergovernmental agreement for the continued operation of community colleges for at least ten years after the effective date of this legislation.

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**Tracking Lists:** CAO

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### **SB1006 - Municipal notices and ordinances; posting**

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other public notice issued by a municipal governing body allowed to be posted on the municipality's website in lieu of being published in a newspaper. A municipality that posts notices on the website is required to provide a link to a listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections

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### **SB1011 - Municipalities; partisan elections**

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**Summary:** Municipal elections may be held with the candidate's political party registration indicated on the ballot. Applies to municipal elections held on or after January 1, 2024.

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**Tracking Lists:** CAO, Clerk and Elections

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### **SB1015 - Unlawful public sale of animals**

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**Summary:** The crime of "unlawful public sale of animals" (defined) applies in all counties, instead of only counties with a population of 800,000 persons or more.

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**Tracking Lists:** CAO

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### **SB1020 - Open meetings; capacity; posting**

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**Summary:** All public bodies are required to provide for an amount of seating sufficient to accommodate the reasonably anticipated attendance of all persons desired to attend the deliberations and proceedings, when feasible. The agenda for a public meeting is required to include notice of the time that the public will have physical access to the meeting place.

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**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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### **SB1021 - Attorney general; legislature; legal challenges**

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**Summary:** The Attorney General is required to defend all laws passed by the Legislature and signed by the Governor against all legal challenges, unless the Attorney General petitions the Legislature for relief from this duty and 2/3 of the members of both the Senate Judiciary Committee and the House of Representatives Judiciary Committee vote to grant relief.

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**Tracking Lists:** CAO

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### **SB1022 - Pedestrians; selling goods; begging; medians**

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**Summary:** Pedestrians are prohibited from selling goods, soliciting donations, or begging on a painted or raised traffic island or median. The penalty for a first violation is a warning, the second violation is a civil traffic violation, and the third or subsequent violation is a class 1 (highest) misdemeanor.

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**Tracking Lists:** CAO, PD

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### **SB1024 - Public rights-of-way; unlawful acts**

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**Summary:** A person is prohibited from erecting or maintaining in a public street, highway, alley, sidewalk, or other right-of-way any full or partial enclosure for habitation, including a tent, tarp, box, or similar object. Does not apply to a commercial motor vehicle. AS PASSED SENATE

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**Tracking Lists:** CAO, PD

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### **SB1025 - Political signs; tourism zones**

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**Summary:** The area of each commercial tourism political sign free zone designated by a municipality is limited to 10 percent of the total area of the municipality, each zone is required to have a "reock score" (calculation specified) of 0.10 or more. Municipalities are allowed to establish one or more areas within zones in which political signs are allowed but are required to include those areas in calculating the area of the zone to determine compliance with the requirements. AS PASSED SENATE

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**Tracking Lists:** CAO, Community Development

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### **SB1059 - Animal shelter; rescue organization; definition (~~Animal shelter; definition~~)**

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**Summary:** An animal rescue organization is required to sterilize dogs and cats before releasing the animal for adoption or releasing the animal to its owner, unless there is no veterinary facility capable of performing sterilization within a 20-mile radius. AS PASSED SENATE

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**Tracking Lists:** CAO

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### **SB1060 - Animal owners; definition**

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**Summary:** For the purpose of county animal control regulations, the definition of "owner" is modified to exclude a person who keeps an animal at the request of an animal shelter, and the definition of "stray dog" is modified to exclude dogs that are microchipped. AS PASSED SENATE

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**Tracking Lists:** CAO

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### **SB1067 - Study committee; animal control standards**

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**Summary:** Establishes a 15-member Joint Study Committee on Statewide Animal Control Standards to research and report on the need for statewide consistent animal control standards. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 31, 2023, and self-repeals July 1, 2024. AS PASSED SENATE

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**Tracking Lists:** CAO

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### **SB1092 - Attorney discipline; revocation; prohibited basis**

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**Summary:** The State Bar of Arizona and the Arizona Supreme Court are prohibited from infringing or impeding the political speech rights of any attorney or the attorney's clients by disciplining or revoking an attorney's license for bringing a good faith, nonfrivolous claim that is based in law and fact to court. Establishes penalties for violations. Contains a legislative intent section.

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**Tracking Lists:** CAO

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### **SB1096 - Firearms; contracts; prohibited practices**

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**Summary:** A "public entity" (defined) is prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of service supplies, information technology, or construction unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS PASSED SENATE

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**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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### **SB1116 - Political signs; public roadways; prohibition**

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**Summary:** A person is prohibited from placing a political sign in or on the right-of-way of a public road.

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**Tracking Lists:** Neighborhoods, CAO, Clerk and Elections, Community Development

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### **SB1117 - Housing; infrastructure; regulation; administration (~~Municipal platting; technical correction~~)**

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to upend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-eve amendment is language that completely replaces the bill language that was initially introduced.)

**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Service

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### SB1122 - Transportation tax; election; Maricopa county

**Summary:** If approved by the voters at a countywide election, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to 1 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 15 years. Specifies the distribution of net revenue from the tax levy, with 80 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, and 20 percent of revenues distributed to the Regional Area Road Fund for major arterial streets. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation excise tax.

**Comment:** Oppose. Does not reflect the regional transportation plan that was unanimously approved by the elected representatives of the entities in Maricopa County.

**Tracking Lists:** Neighborhoods, CAO, Engineering and Transportation, Economic Development

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### SB1137 - Maricopa county; division; new counties

**Summary:** Divides Maricopa County into four counties by modifying the Maricopa County boundaries and adding three new counties: Hohokam County, Mogollon County, and O'odham County. Maricopa County operations will continue in their existing form through a transition period of up to three years after the effective date of this legislation. The boards of supervisors of Hohokam, Mogollon, and O'odham Counties will be elected at a special election held within 120 days after the effective date of this legislation. Currently elected Maricopa County Supervisors continue in their capacity for the remainder of the term in whichever county their supervisory district is located. The elected boards of supervisors in the three new counties will determine an application process for municipalities to apply to be the county seat, which will be determined at a special election to be held within 120 days from the election of the board of supervisors. The four counties are authorized to enter into a ten-year shared use agreement for the use of existing shared capital assets. The four counties are required to enter into an intergovernmental agreement for the continued operation of community colleges for at least ten years after the effective date of this legislation. Effective January 1, 2024.

**Comment:** Oppose

**Tracking Lists:** CAO, Clerk and Elections, Finance Budget Procurement Audit, Engineering and Transportation

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### SB1150 - Supervisors; powers; duties; animal wellness

**Summary:** In counties that have an animal control county enforcement agent, the county board of supervisors is authorized to enter into agreements to solicit donations or services for use by the agent to perform animal wellness services.

**Tracking Lists:** CAO

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### SB1162 - Home-based businesses; restrictions; prohibition

**Summary:** A home-based business must be allowed as a use by right if the home-based business does not supersede any deed restriction, covenant or agreement restricting the use of land, a master deed or any other document applicable to a common interest ownership community. Counties and municipalities prohibit a "no-impact home-based business" (defined) or require a person to apply for, register, or obtain a permit, license, variance or other type of municipal approval to operate a no-impact home-based business. Counties and municipalities are authorized to establish reasonable regulations on home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety and ensuring that the business activity is compatible with residential use of the property. AS PASSED SENATE

**Comment:** Oppose. Preemption bill on local decision-making affecting neighborhoods.

**Tracking Lists:** Neighborhoods, CAO, Community Development, PD, FMR

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### SB1234 - Prohibition; photo radar

**Summary:** State agencies and local authorities are prohibited from using a photo enforcement system to identify violators of traffic control devices and speed regulations. Statutes authorizing and regulating photo enforcement systems are repealed. Contains a legislative intent section.

**Comment:** City opposition

**Tracking Lists:** CAO

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### SB1251 - Working animals; restrictions; prohibition

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**Summary:** Counties and municipalities cannot enact ordinances or policies that prohibit or unduly restrict a person from using a "working animal" (defined as an animal used primarily to perform a specific duty or function in commerce or for an animal enterprise) in lawful commerce or for an animal enterprise. Some exceptions. AS PASSED SENATE

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**Tracking Lists:** CAO, Community Services

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### SB1258 - Public officers; announcements; report

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**Summary:** For any publication, resource or public service announcement that is issued by a public officer, that contains the public officer's name or likeness, and distributed free of charge or through the use of taxpayer resources, the public officer is required to publish a quarterly report describing the amount of money that was spent on the publication, resource, or public service announcement.

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**Comment:** Problematic, broad language that would require additional work to be able to share and be transparent with PSAs, public resources, meeting announcements, interviews, etc with the community.

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**Tracking Lists:** CAO, Communications & Marketing

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### SB1270 - Open meetings; capacity

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**Summary:** Schools, school boards, executive boards, and municipalities are required to provide for an amount of seating sufficient to accommodate the reasonable anticipated attendance of all persons desiring to attend the deliberations and proceedings, when feasible. Does not require a public body to relocate meeting outside of the largest regular meeting room. Except for a meeting through technological devices, the agenda for a public meeting is required include notice of the time that the public will have physical access to the meeting place. AS PASSED SENATE

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**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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### SB1308 - Fireworks; aerial devices; retailers; licensure

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**Summary:** Adds "aerial devices" (defined as devices that are designed or intended to rise into the air and explode or to detonate in the air or to fly above the ground) to the definition of "permissible consumer fireworks" that may be sold during certain date ranges in Arizona. A person is prohibited from selling aerial devices to a person who is under 21 years of age. A licensed "specialty retailer" (defined) is authorized to sell permissible consumer fireworks every day of the year in each county of Arizona. By January 1, 2024, the State Fire Marshal is required to adopt rules to license and inspect specialty retailers that are allowed to sell permissible consumer fireworks on every day of the year.

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**Tracking Lists:** CAO, PD, FMR

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### SB1313 - General plan; transportation; independent study

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**Summary:** Municipal general plans are prohibited from including transportation or land use policies or projects that reduce overall system capacity of motor vehicle traffic. If a general plan includes a reduction in the level of service of any arterial street, the municipality is required to conduct an independent study on the impact on emergency vehicle response times. Municipal general plans for municipalities with a population of 50,000 persons or more are no longer required to include a bicycling element consisting of proposed bicycle facilities. AS PASSED SENATE

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**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Engineering and Transportation

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### SB1336 - Municipal boards; members; training

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**Summary:** Beginning January 1, 2024, any member of a municipal planning commission, zoning commission, combined planning and zoning commission, village planning committee, design review committee, and zoning board of adjustment and appeals is required to complete at least four hours of training. Members serving before January 1, 2024 are required to complete the required training by January 1, 2025 and to complete an additional four hours of training every other year after. Members appointed on or after January 1, 2024 are required to complete the required training by one year after the member's appointment and to complete an additional four hours of training every other year after. By January 1, 2024, the Arizona Department of Housing is required to establish guidelines for the training, which must include a specified list of information. Any member who does not complete the training must be removed from the member's appointment.

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**Tracking Lists:** Neighborhoods, CAO, Community Development, Community Health and Human Services

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### SB1370 - Municipal ordinances and notices; posting

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other notices of a public character issued by authority of the governing body of any municipality may be posted on the municipality's website in lieu of being published in a newspaper if the municipality is located in a county with a population of 4 million persons or more (Maricopa County). A municipality that posts notices on the website is required to provide a link listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections, Community Development, Finance Budget Procurement Audit, Communications & Marketing

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### SB1413 - Homeless encampment; removal

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**Summary:** On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality is required to notify the owner to remove the tent, structure, or other personal property from the area in which the encampment is located. If removal does not occur within 24 hours, the county or municipality is required to claim the property and retain the property for 14 days, during which the owner may claim the property. Unclaimed property be disposed of as provided in statute. Persons living at an encampment located on private property are guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use are guilty of the appropriate drug-related offense. AS PASSED SENATE

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**Tracking Lists:** CAO, PD, Community Health and Human Services

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### SB1427 - Carrying of firearms; exceptions

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**Summary:** Various changes to statutes relating to firearms. A person cannot be prohibited from possessing a firearm except in a jail, correctional facility, or juvenile detention facility; by order of a judge or justice or other court order; in a secured police facility; in a location prohibited by federal law; or pursuant to a state or federal law that makes the person a prohibited possessor. It is no longer unlawful for any person to possess a firearm while on the licensed premises of an on-sale liquor retailer, or for any person in possession of a firearm while on the licensed premises of an on-sale liquor retailer to consume spirituous liquor. Repeals statute allowing liquor licensees to post a sign prohibiting the possession of weapons on the licensed premises. A person with a concealed weapons permit is no longer required to carry the permit at all times when the person is in actual possession of the concealed weapon and is no longer required to present the concealed weapons permit to any law enforcement officer on request.

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**Tracking Lists:** CAO, PD, Community Services

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### SB1428 - Political subdivisions; gun shows; preemption

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**Summary:** Political subdivisions cannot prohibit a gun show from occurring in the political subdivision or enact or enforce any ordinance, rule or policy that primarily affects gun shows and effectively prohibits a gun show from occurring in the political subdivision.

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**Tracking Lists:** CAO, PD, Community Services

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### SB1435 - Attorney licensing; supreme court

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**Summary:** The Arizona Supreme Court is required to license attorneys for the practice of law in Arizona. The Arizona Supreme Court cannot require an attorney member of any organization to become or remain licensed.

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**Tracking Lists:** CAO

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### SB1455 - Office vacancy; discharge of duties

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**Summary:** A public office is deemed vacant if the person holding the office ceases to discharge the duties of office for the period of 45 consecutive days, instead of 90 consecutive months. Does not apply to a legislative office.

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**Tracking Lists:** CAO

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### SB1611 - Public entities; contracts; prohibition

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**Summary:** A public entity is prohibited from entering into or renewing a contract with a company to acquire services, supplies, information technology, goods or construction services unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract, that the company will not, implement an "environmental, social or governance standards policy" (defined).

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**Tracking Lists:** CAO, Finance Budget Procurement Audit

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### SB1650 - Auditor general; duties; access

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**Summary:** Various changes to statutes relating to the Auditor General. All officers of any state agency, board, commission, department, institution, program, advisory council, committee, or political subdivision are required to provide reasonable and needed facilities for Auditor General staff and make records available in the form and at the time prescribed. It is a class 2 (mid-level) misdemeanor to knowingly obstruct or mislead the Auditor General in the execution of his or her duties. Modifies the list of factors that a committee of reference must consider in determining the need for continuation or termination of a state agency. Modifies the information that must be included in the final sunset review report by each committee of reference. AS PASSED SENATE

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**Comment:** Issues with attorney-client privilege.

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**Tracking Lists:** CAO, Clerk and Elections

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### SB1696 - Sexually explicit materials; government; prohibition

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**Summary:** The state, a state agency, or a county, municipality, or political subdivision of Arizona is prohibited from exposing minors to "sexually explicit material" (defined) and must prohibit its contractors from exposing minors to sexually explicit materials. A facility or property owned, leased or managed by the state or political subdivision is prohibited from being used for filming or facilitating sexually explicit acts. Violations are a class 5 (second-lowest) felony. AS PASSED SENATE

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**Tracking Lists:** CAO, PD

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**SCR1023 - Charter cities; repeal**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to repeal charter cities in Arizona.

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**Comment:** Problematic language. Seeks to undermine local election results and the framework voted on through the city charter

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**Tracking Lists:** CAO

# CHHS

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## HB2040 - Industrial development bonds; preapproval; repeal

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**Summary:** Corporations are no longer required to obtain approval from the Arizona Department of Housing in order to issue bonds to finance a multifamily residential rental project, clinic, rest home, nursing home, skilled nursing facility, or life care facility.

**Tracking Lists:** Economic Development, Community Health and Human Services

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## HB2083 - Landlord; tenant; fee disclosure; waiver

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**Summary:** At or before a tenancy begins, the landlord is required to disclose to the tenant the exact amount of the rent and the due date for the rent, any additional fees or costs that may be chargeable to the tenant and that are not included in the periodic rental rate, and whether the landlord or any of its vendors or sell the tenant's personal data as a result of using facilities or services on the rental premises. Landlords must allow a tenant to choose not to receive pay for any nonessential services, and must allow a tenant to pay rent with any legal tender. Landlords are prohibited from charging a late fee if rent is full within five days after the due date.

**Tracking Lists:** Community Health and Human Services

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## HB2084 - Landlord tenant; housing assistance; waiver

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**Summary:** For the purpose of the Arizona Residential Landlord and Tenant Act, the definition of "housing assistance" includes any payment made by a faith-based organization, a community action agency program or a nonprofit entity. A landlord's acceptance of a housing assistance payment constitutes an acceptance of a partial payment of rent and a waiver of the landlord's right to terminate the rental agreement for failure to pay rent for the rental period covered by partial payment.

**Tracking Lists:** Community Health and Human Services

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## HB2085 - Rental housing; income source discrimination

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**Summary:** A landlord is prohibited from using the "source of income" (defined) of an otherwise eligible prospective or current tenant to take any of a list of actions including refusing to rent, eviction, or in any other manner denying a rental unit. For a landlord who requires that a prospective or current tenant meet certain threshold level of income, any source of income in the form of a rent voucher or subsidy must be subtracted from the total of the monthly rent calculating whether the income criteria have been met. Violations are an unlawful practice subject to enforcement by the Attorney General.

**Tracking Lists:** Community Health and Human Services

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## HB2086 - Rent regulation; state preemption

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**Summary:** Repeals statutes that prohibit municipalities from regulating rent or imposing rent controls.

**Tracking Lists:** Community Health and Human Services

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## HB2161 - Rent increase; limitation; substantial remodel

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**Summary:** A landlord, in a 12-month period, is prohibited from increasing the rent for a dwelling unit more than five percent plus the percentage change in the cost of living or ten percent, whichever is less. The percentage increase limitation is based on the lowest rent charged for the dwelling unit at any time during the 12 months before the increase. Does not apply if a dwelling unit is "substantially remodeled" (defined).

**Tracking Lists:** Community Health and Human Services

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## HB2166 - DHS; licensure; group homes

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**Summary:** Beginning July 1, 2024, "behavioral-supported group homes" (defined) that are operated in Arizona by a service provider and that are under contract with the Arizona Department of Economic Security are required to be licensed by the Arizona Department of Health Services (ADHS). Establishes a list of behavioral-supported group homes that ADHS is required to adopt, including ensuring that each client's "behavioral treatment plan" (defined) is developed and monitored by a clinical professional with specified qualifications, requiring direct care staff in a behavioral-supported group home to have specified training and experience, and ensuring that each client has an "integrated treatment plan" (defined). AS PASSED HOUSE

**Tracking Lists:** Community Development, Community Health and Human Services

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## HB2194 - Drug overdose fatality review teams

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**Summary:** Establishes a 20-member Drug Overdose Fatality Review Team in the Department of Health Services and requires the Review Team to develop a drug overdose fatalities data collection system, develop protocols for drug overdose investigations, and determine statutory and regulatory changes needed to decrease the incidence of preventable drug overdose fatalities. Establishes processes for the Review Team to access information and regulates the confidentiality of information and records acquired by the Review Team. Review Team meetings are closed to the public and are not subject to open records.

meeting law if the Review Team is reviewing information on a person who overdosed on drugs. Violations of the confidentiality requirements are a class (mid-level) misdemeanor. Self-repeals January 1, 2029. Emergency clause. AS PASSED HOUSE

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**Tracking Lists:** FMR, Community Health and Human Services

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### **HB2211 - Supplemental nutrition assistance program; eligibility**

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**Summary:** Despite statute allowing the court to render the person who is convicted ineligible to receive any public benefits, a person who is convicted of a felony offense involving the use or possession of a controlled substance may be eligible for the Supplemental Nutrition Assistance Program if the person is in compliance with all terms of probation, including any drug testing requirements, and previous requirements for the person to complete a substance abuse treatment program or meet other specified requirements in order to be eligible are deleted.

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**Tracking Lists:** Community Health and Human Services

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### **HB2222 - Driver license fees; homeless exemption**

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**Summary:** The fees for driver licenses and nonoperating identification licenses do not apply to any person who does not have a residence address or whose residence address is the address of a homeless shelter. The Arizona Department of Transportation (ADOT) is authorized to enter into an agreement with a charitable organization that works to end and prevent homelessness in Arizona to help persons acquire replacement personal identification documents at no cost to them, and enable persons to have secure personal identification document storage. Appropriates \$1 million from the State Highway Fund in FY2023 to the newly established Personal Identification Document Fund and is appropriated from the Fund to ADOT.

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**Tracking Lists:** Community Health and Human Services

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### **HB2242 - Unclaimed property; notice; distribution (Unclaimed property; locator registration)**

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**Summary:** Of monies received from the sale of unclaimed or abandoned property, the Arizona Department of Revenue (ADOR) is no longer required to deposit \$2 million each fiscal year in the Seriously Mentally Ill Housing Trust Fund, and the second \$2.5 million in the Housing Trust Fund. ADOR is no longer required to deposit monies from unclaimed shares and dividends of any corporation in the Permanent State School Fund, and is no longer required to deposit monies from unclaimed victim restitution payments in the Victim Compensation and Assistance Fund. All these monies are instead deposited in the general fund. AS PASSED HOUSE

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**Tracking Lists:** Community Health and Human Services

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### **HB2256 - Housing trust fund; appropriation**

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**Summary:** Appropriates \$150 million from the general fund in FY2023-24 to the Housing Trust Fund.

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**Tracking Lists:** Community Health and Human Services

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### **HB2259 - Parking requirements; affordable housing; prohibition**

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from imposing as a condition for approving a building or use permit, any regulation that requires a specific number of parking spaces per residential dwelling unit if the unit is designated "affordable housing" (defined).

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**Tracking Lists:** Community Development, Community Health and Human Services

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### **HB2264 - Housing; inventory; sales**

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**Summary:** By July 1, 2025 and every three years after, each county and municipality is required to prepare an inventory of all real property within its jurisdiction which the county or municipality holds title and that is appropriate for use as affordable housing. The county board of supervisors or municipal governing body is required to hold a public hearing at which the inventory list is reviewed. Properties on the list may be offered for sale and the proceeds may be used to purchase land for the development of affordable housing. Properties on the list may be sold with a restriction that requires the development of the property as affordable housing, donated to a nonprofit housing organization, or made available for use or the production and preservation of permanent affordable housing. By July 1, 2025 and every three years after, each state agency is required to create an inventory of surplus real estate within the jurisdiction to which the state holds title and provide the inventory to the Arizona Department of Administration (ADOA). ADOA is required to make the surplus real estate on the inventories available for sale, and monies received from the sale are deposited in the Housing Trust Fund.

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**Tracking Lists:** Community Health and Human Services

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### **HB2270 - Extension; affordable housing tax credit**

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**Summary:** The statutory repeal dates for the insurance premium tax credit and the individual and corporate income tax credits for projects that qualify for the federal low-income tax credit are extended eleven years, through tax year 2036. The cap on the aggregate amount of the affordable housing tax credits in a calendar year is increased to \$10 million, from \$4 million, beginning in calendar year 2024.

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**Tracking Lists:** Community Health and Human Services

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### HB2272 - Municipality; housing plan; report

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**Summary:** A municipality with a population of more than 75,000 persons is required to develop a housing plan. Information that must be included in the housing plan is specified. The municipal governing body is required to annually review the housing plan and plan implementation, and post the report of the annual review on the municipality's website.

**Tracking Lists:** Community Development, Community Health and Human Services

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### HB2273 - Housing trust fund; unclaimed property..

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**Summary:** The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of the proceeds, instead of \$2.5 million.

**Tracking Lists:** Community Health and Human Services

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### HB2280 - Eviction prevention; study committee

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**Summary:** Establishes a 19-member Study Committee on Statewide Eviction Prevention and Housing Affordability to conduct a comprehensive study on reducing eviction filings, review related policies and statutes, conduct research on housing affordability issues, and propose legislation to address these issues. The Committee is required to submit a report of its activities and recommendations to the Governor and the Legislature by December 1, 2023, and self-report by November 1, 2024.

**Tracking Lists:** Community Health and Human Services

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### HB2281 - Homeless youth; families; funding sources

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**Summary:** Requires \$2 million of tax revenue collected from nonresident sales of real property located in Arizona to be distributed to the general fund, after which the remaining monies are distributed to the Housing Trust Fund. Up to \$10 million of the monies deposited in the Housing Trust Fund from tax collections on nonresident sales of real property located in Arizona must be used exclusively for capital projects, rental assistance and services for homeless youth and families, and must supplement and not supplant homeless youth and family funding from other potential sources. The Department of Housing is authorized to use monies deposited from tax collections from nonresident sales of real property located in Arizona in excess of \$10 million for other projects and programs. Effective for taxable period beginning January 1, 2024.

**Tracking Lists:** Community Health and Human Services

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### HB2284 - Homelessness; housing; facilities

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**Summary:** The Arizona Department of Housing (ADOH) is required to accept and allocate monies appropriated by the Legislature for services for individuals experiencing homelessness. Monies must be used for parking areas that have access to potable water, electric outlets, and bathrooms; camping facilities and individual shelters that meet specified requirements; and shelters that house at least four individuals and that provide programs to improve the employment and income of individuals leaving the shelter. ADOH is required to prioritize spending for all of these purposes before spending monies on permanent housing for individuals experiencing homelessness. ADOH is authorized to use monies appropriated to assist individuals experiencing homelessness with substance abuse treatment, mental health treatment, and other services. A person is prohibited from using state or local government owned lands for unauthorized sleeping, camping, or long-term shelter, and from allowing such land to be used for these purposes. Political subdivisions are prohibited from adopting or enforcing policies that discourage or prohibit the enforcement of any order or ordinance that prohibits public camping or sleeping or obstructing a public right-of-way. The Attorney General is authorized to bring a civil action against a political subdivision in violation. Severability clause. Effective January 1, 2024.

**Comment:** Held in Health and Human Services Cmte on 2/6/23. Current language presents issues for cities

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**Tracking Lists:** Community Health and Human Services

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### HB2312 - Women's shelters; male employees; liability

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**Summary:** A "facility" (defined) that does not allow a biological male employee to be in the presence of a woman or the woman's minor children who are living in the facility is not liable for gender discrimination if the facility's sole purpose is to provide a safe and stable shelter to women or women with minor children.

**Tracking Lists:** Community Health and Human Services

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### HB2318 - Affordable housing; tax credits; extension

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**Summary:** The statutory repeal dates for the insurance premium tax credit and the individual and corporate income tax credits for projects that qualify for the federal low-income tax credit are extended six years, through tax year 2031. The cap on the aggregate amount of the affordable housing tax credits in any calendar year is increased to \$12 million, from \$4 million, beginning in calendar year 2024.

**Tracking Lists:** Community Health and Human Services

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### HB2327 - Housing trust fund; unclaimed property

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**Summary:** The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent proceeds, instead of \$2.5 million.

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**Tracking Lists:** Community Health and Human Services

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### HB2328 - Arizona community land trust fund

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**Summary:** Establishes the Arizona State Community Land Trust Acquisition Grant Fund, to be administered by the Arizona Department of Housing (ADOH). ADOH is required to distribute monies in the Fund to "community land trusts," defined as nonprofit corporations whose primary purpose is to create and maintain permanently affordable single-family or multifamily residences that meet other specified requirements.

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**Tracking Lists:** Community Health and Human Services

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### HB2329 - First-generation home buyers assistance; appropriation

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**Summary:** Establishes the First Generation Home Buyers Down Payment Assistance Grant Fund, to be administered by the Arizona Department of Housing (ADOH). ADOH is required to distribute monies from the Fund to entities that administer down payment assistance for the purposes of providing down payment assistance to "eligible first-generation home buyers" (defined as a first-time home buyer whose parent does not or did not own a home and whose income is at or below 100 percent of the area median income at the time of purchase). Establishes requirements for the down payment assistance, which must be provided in the form of a five-year loan. Appropriates \$12 million from the general fund in FY2023-24 to the Fund.

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**Tracking Lists:** Community Health and Human Services

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### HB2358 - State emergency; eviction reporting; prohibition

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**Summary:** The clerk of the court is required to immediately seal any filing, pleading or judgment in a forcible entry and detainer proceeding that is based on nonpayment of rent or a judgment rendered in a forcible entry and detainer proceeding in favor of the lessor or owner for reasons other than a violation of the lease or occupancy that occurred during the COVID-19 pandemic and declared state of emergency between the dates of March 11, 2020 and June 30, 2023. An application that is used to screen applicants for housing or credit and that seeks information concerning a previous forcible entry and detainer action or lessor action of the applicant is required to include a statement that an applicant for housing or credit with a sealed record is allowed to answer "no" to an inquiry related to that sealed record.

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**Tracking Lists:** Community Health and Human Services

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### HB2359 - Landlord; tenant; rent increase; limitation

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**Summary:** The maximum amount of a permissible rent increase for a tenant is the lesser of either 10 percent of the lowest rental rate charged during the 12 months immediately preceding the date on which the rental increase takes effect, or 5 percent of the lowest rental rate charged during the 12 months plus the percentage of inflation as determined by the gross domestic product price deflator index published by the U.S. Department of Commerce.

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**Tracking Lists:** Community Health and Human Services

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### HB2363 - Landlord tenant; evictions for cause

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**Summary:** For any tenant who has maintained a tenancy of 12 months or more, a landlord is only permitted to terminate the rental agreement or refuse to renew the rental agreement if the tenant fails to pay rent, the tenant materially breaches the rental agreement, or the landlord or landlord's specified family member resides in the rental property or the landlord removes the rental property from the rental market. For any termination for removal from the rental market of the landlord or a family member to reside in the property, the landlord is required to waive one month of the tenant's rent or provide to the tenant one month's rent as relocation assistance.

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**Tracking Lists:** Community Health and Human Services

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### HB2366 - Landlord tenant; evictions; assistance

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**Summary:** A writ of restitution for all rent found due and unpaid when a defendant is found guilty of forcible entry and detainer or forcible detainer cannot be enforced until at least seven calendar days after the date that the writ of restitution is issued. Appropriates \$290 million from the general fund in FY2023-24 to the Department of Economic Security (DES) to distribute for rental assistance. DES is required to allocate at least \$10 million of that amount for rental assistance to persons who are at least 65 years of age.

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**Tracking Lists:** Community Health and Human Services

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### HB2368 - Elder abuse; pamphlet; long-term care

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**Summary:** Residential care institutions, nursing care institutions, assisted living facilities, and assisted living homes are required to provide to each prospective resident or their representative a pamphlet on identifying and reporting elder abuse. The Department of Health Services is required to prescribe the

contents of the pamphlet, and information that must be included in the pamphlet is listed.

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**Tracking Lists:** Community Health and Human Services

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### **HB2379 - Hotel; motel; vouchers; homeless; prohibition**

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**Summary:** The Arizona Department of Housing, counties, and municipalities are prohibited from requiring a hotel or motel to participate in any program that houses "homeless individuals or families" (defined) in an unoccupied hotel or motel guest room through the use of a housing voucher. AS PASSED HOUSE

**Comment:** No position, no effect.

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**Tracking Lists:** Community Health and Human Services

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### **HB2381 - Mobile homes; recreational vehicles; fund**

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**Summary:** Increases the maximum amount of assistance a mobile home owner may receive from the Mobile Home Relocation Fund and increases the amount a landlord is required to pay into the Fund if there is a change in use that causes mobile home relocations. The Arizona Department of Housing (ADOH) is required to notify county assessors to waive assessments for the Fund for any year if the monies in the Fund exceed \$10 million, increased from \$8 million. ADOH is required, instead of allowed, to notify the county assessors to reinstate the assessments if the amount in the Fund is less than \$6 million at the end of a fiscal year. AS PASSED HOUSE

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**Tracking Lists:** Community Health and Human Services

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### **HB2400 - Area agencies on aging; appropriation**

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**Summary:** Appropriates \$2 million from the general fund in FY2023-24 to the Department of Economic Security to distribute to area agencies on aging for home care and community-based services.

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**Tracking Lists:** Community Health and Human Services

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### **HB2482 - Appropriations; crime victim notification fund.**

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**Summary:** Appropriates \$7.6 million from the general fund in FY2023-24 to the Law Enforcement Crime Victim Notification Fund. Expands the types of software that may be purchased by law enforcement agencies using monies from the Fund. Appropriates \$400,000 from the general fund in FY2023-24 to the State Treasurer to evaluate, certify, and pay for any costs associated with the Fund. Also establishes a 9-member Sexual Assault Kit Study Committee to evaluate the feasibility of providing crime victims with a tracking system for sexual assault forensic examination kits. The Committee is required to submit a report to the Legislature by December 1, 2023, and self-repeals January 3, 2024. AS PASSED HOUSE

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**Tracking Lists:** PD, Community Health and Human Services

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### **HB2500 - Sexual assault victims; financial assistance**

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**Summary:** The rules that the Arizona Criminal Justice Commission is required to adopt for the allocation of monies from the Victim Compensation and Assistance Fund must include that a woman who is a victim of a sexual offense and who carries a resulting baby to term is will receive compensation for health care expenses and economic support during the pregnancy and up to 12 months after the baby is born. Appropriates \$5 million from the general fund in FY2023-24 to the Fund.

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**Tracking Lists:** Community Health and Human Services

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### **HB2603 - Reimbursement; direct care workers**

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**Summary:** All service provider contracts must require that at least 80 percent of reimbursement rates for home and community-based services to individuals with intellectual and developmental disabilities be used for wages for direct care workers and supervisory staff directly overseeing direct care workers.

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**Tracking Lists:** Community Health and Human Services

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### **HB2634 - Housing trust fund; donations; form**

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**Summary:** A title insurer is required to provide a form prescribed by the Department of Insurance and Financial Institutions to buyers and sellers of real estate that would allow the buyer and the seller to donate monies to the Housing Trust Fund.

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**Tracking Lists:** Community Health and Human Services

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### **HB2652 - SNAP; eligible benefits**

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**Summary:** Makes various changes to statutes relating to the Temporary Assistance for Needy Families (TANF) program and the Supplemental Nutrition Assistance Program (SNAP). Changes the formula for the amount of TANF cash assistance. A person who is convicted of a felony offense involving the use of or possession of a controlled substance may be eligible for TANF or SNAP, and is no longer required to agree to random drug testing. Pregnant women

receive TANF cash assistance. Retroactive to July 1, 2023, the aggregate maximum time period a person may receive TANF cash assistance is increased to 60 months, from 12 months.

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**Tracking Lists:** Community Health and Human Services

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### **HB2657 - Appropriation; housing assistance; elderly.**

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**Summary:** Appropriates \$7 million from the general fund in FY2023-24 to the Department of Economic Security to distribute to area agencies on aging for housing assistance for persons who are at least 60 years of age.

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**Tracking Lists:** Community Health and Human Services

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### **HB2673 - Tenant early termination; servicemembers**

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**Summary:** Establishes circumstances under which a servicemember tenant is allowed to terminate a rental agreement of one year or less when the servicemember tenant receives military orders requiring the servicemember to vacate civilian housing and move into on-post government quarters. In these circumstances that the servicemember tenant does not incur early termination penalties or fees. Some exceptions. Applies to servicemember tenant terminations that occur on or after the effective date of this legislation.

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**Tracking Lists:** Community Health and Human Services

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### **HB2718 - Rights; homelessness; housing; eviction; appropriation**

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**Summary:** A person's rights, privileges or access to public services cannot be denied or abridged solely because the person is homeless. A homeless person has the same rights and privileges as any other Arizona resident. A person is not criminally liable and cannot be charged with or convicted of an offense that prohibits the person from sitting, lying, or sleeping in or on public property if the person is homeless and there is no single space available for the person to sleep in a homeless shelter. The Administrative Office of the Courts (AOC) is required to establish a statewide eviction diversion and prevention program that provides tenant education through community-based organizations in Arizona for tenant rights. The AOC, through community-based organizations, is also required to provide legal aid to assist tenants with criminal record expungement, unemployment, disability and social security benefits and landlord tenant assistance to enable housing stability. The Arizona Department of Administration (ADOA) is required to develop a pilot program that provides affordable housing opportunities to individuals experiencing homelessness and provides a list of specified services. The Arizona Department of Housing (ADOH) is authorized to award grants to a municipality, a tribe, a county, or a nonprofit organization in cooperation with a municipality or county to establish or operate sanctioned housing for unsheltered individuals experiencing homelessness. Requirements for sanctioned housing are listed. More. Appropriates \$50 million from the general fund in FY2023-24 to ADOH for the Affordable Housing Pilot Program and specifies Program requirements. Appropriates \$290 million from the general fund in FY2023-24 to the Department of Economic Security to distribute for rental assistance. Appropriates \$6 million from the general fund in FY2023-24 to the AOC for the eviction diversion and prevention program. Emergency clause.

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**Tracking Lists:** Community Health and Human Services

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### **HB2719 - Appropriation; affordable housing**

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**Summary:** Appropriates \$25 million from the general fund in FY2023-24 to the Housing Trust Fund. If a landlord receives monies from this appropriation as payment for rent owed to the landlord by a tenant, the landlord is prohibited from filing, finalizing or enforcing any action against the tenant for the unpaid rent.

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**Tracking Lists:** Community Health and Human Services

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### **HB2721 - Affordable housing; parking; reduction**

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**Summary:** Counties and municipalities are required to adopt a regulation or general or specific plan provision that reduces the minimum parking requirements for "housing development" (defined) that meets a list of requirements, including that the development is located within 500 feet of a major public transit station and that the development is subject to a regulatory agreement with the county or municipality that restricts at least 20 percent of the total number of "lower income households" (defined).

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**Tracking Lists:** Community Development, Community Health and Human Services

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### **HB2772 - Middle housing; residential zoning**

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**Summary:** Counties and municipalities are required to allow the development of "middle housing" (defined) in all areas zone for residential use. A municipality is authorized to regulate the design of middle housing if the regulations do not prohibit or discourage the development of middle housing.

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**Tracking Lists:** Community Development, Community Health and Human Services

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### **HB2773 - Accessory dwelling unit; requirements**

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**Summary:** Counties and municipalities are authorized to adopt an ordinance that provides for the development of an "accessory dwelling unit" (defined) in an area zoned to allow single-family or multifamily use. Requirements for the ordinance are specified.

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**Tracking Lists:** Community Development, Community Health and Human Services

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### HB2804 - Appropriation; grants; family support services

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**Summary:** Appropriates \$5 million from the general fund in FY2023-24 to the Arizona Department of Education to administer a family support services grant program.

**Tracking Lists:** Community Health and Human Services, Education, Career and Family Services

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### HB2805 - Appropriation; victim compensation and assistance

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**Summary:** Appropriates \$5 million from the general fund in FY2023-24 to the Victim Compensation and Assistance Fund.

**Tracking Lists:** Community Health and Human Services

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### HCM2002 - Federal lands; housing shortage

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**Summary:** The Legislature urges the U.S. Congress to enact the Helping Open Underutilized Space to Ensure Shelter Act to allow the U.S. Secretary of the Interior to sell federal parcels of land to state and local governments, and urges the U.S. Secretary of the Interior, on passage of such legislation, to immediately implement a process for applicants to nominate federal lands for purchase. The Secretary of State is directed to transmit copies of this memorial to the Secretary of the Interior, the President of the U.S. Senate, the Speaker of the U.S. House and each member of Congress from Arizona.

**Tracking Lists:** Community Health and Human Services

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### SB1062 - Minors; capacity to consent; shelter

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**Summary:** An emancipated minor, a minor who is legally married, or an independent "unaccompanied homeless minor" (defined) is authorized to give consent to the furnishing of shelter, transitional living, or other temporary housing or homeless-associated services and supportive services to the minor, and the consent of a parent or legal guardian of the minor is not necessary. A shelter, transitional living, or other temporary housing provider or homeless-associated services or supportive services provider, acting in reliance on the consent of a minor who has authority under these provisions to consent to the services, is not subject to criminal or civil liability and professional disciplinary action on the ground that the provider failed to obtain consent of the minor's parent or legal guardian. Some exceptions. Contains legislative findings. AS PASSED SENATE

**Tracking Lists:** Community Health and Human Services

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### SB1117 - Housing; infrastructure; regulation; administration (~~Municipal platting; technical correction~~)

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to upend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-even amendment is language that completely replaces the bill language that was initially introduced.)

**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Services

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### SB1237 - Housing trust fund; transitional housing

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**Summary:** The Department of Housing is required to annually distribute up to \$1 million from the Housing Trust Fund to organizations that operate or seek to operate transitional housing that meets a list of specified requirements. Fund monies may be spent on purchasing housing facilities, in addition to constructing and renovating facilities.

**Tracking Lists:** Community Health and Human Services

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### SB1244 - Appropriations; crime victim notification fund

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**Summary:** Appropriates \$7.6 million from the general fund in FY2023-24 to the Law Enforcement Crime Victim Notification Fund for use in FY2023-24 and FY2024-25. Appropriates \$400,000 from the general fund in FY2023-24 to the State Treasurer to evaluate, certify, and pay for any costs associated with the fund for use in FY2023-24 and FY2024-25.

**Tracking Lists:** PD, Community Health and Human Services

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### SB1248 - Scope of practice; process; repeal

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**Summary:** Statute establishing a process for a health professional group seeking an increased scope of practice would have been repealed. AS VETOED BY GOVERNOR. In her veto letter, the Governor expresses concern about doing away with the sunrise process altogether, but says she is committed to identifying alternative pathways toward scope of practice expansion.

**Tracking Lists:** Community Health and Human Services

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### SB1278 - Housing trust fund; rural areas

**Summary:** The Director of the Arizona Department of Housing is required to include in the annual report to the Legislature on the Housing Trust Fund a summary of projects and programs for which funding was provided exclusively for housing in rural areas.

**Tracking Lists:** Community Health and Human Services

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### SB1290 - Inmates; documentation; workforce reentry.

**Summary:** The Arizona Department of Corrections (ADC) is required to provide an inmate who is discharged from imprisonment for a felony offense and who is to reside in Arizona with relevant documentation to assist the inmate in obtaining postrelease employment, including coordinating with the Arizona Department of Transportation (ADOT) to provide the inmate with a nonoperating identification license or replace the inmate's driver license or nonoperating identification license, if applicable. ADOT is required to allow copies of birth certificates along with ADC record cards to serve as valid forms of photo identification to obtain a license. ADC is required to provide an inmate with a list of documentation, including a copy of the inmate's work record and a resume that includes any trade learned by the inmate. Effective January 1, 2024. AS PASSED SENATE

**Tracking Lists:** Economic Development, Community Health and Human Services

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### SB1336 - Municipal boards; members; training

**Summary:** Beginning January 1, 2024, any member of a municipal planning commission, zoning commission, combined planning and zoning commission, village planning committee, design review committee, and zoning board of adjustment and appeals is required to complete at least four hours of training. Members serving before January 1, 2024 are required to complete the required training by January 1, 2025 and to complete an additional four hours of training the other year after. Members appointed on or after January 1, 2024 are required to complete the required training by one year after the member's appointment and to complete an additional four hours of training every other year after. By January 1, 2024, the Arizona Department of Housing is required to establish guidelines for the training, which must include a specified list of information. Any member who does not complete the training must be removed from the member's appointment.

**Tracking Lists:** Neighborhoods, CAO, Community Development, Community Health and Human Services

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### SB1413 - Homeless encampment; removal

**Summary:** On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality is required to notify the owner to remove the tent, structure, or other personal property from the area in which the encampment is located. If removal does not occur within 24 hours, the county or municipality is required to claim the property and retain the property for 14 days, during which the owner may claim the property. Unclaimed property is to be disposed of as provided in statute. Persons living at an encampment located on private property are guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use are guilty of the appropriate drug-related offense. AS PASSED SENATE

**Tracking Lists:** CAO, PD, Community Health and Human Services

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### SB1454 - Veteran suicide prevention; pilot program

**Summary:** Establishes the Veteran Suicide Prevention Training Pilot Program in the Arizona Department of Veterans' Services (ADVS) to offer claims examiner, county and municipal veteran service offices specialized training and certification in preventing veteran suicides. Requirements for the Program are established. By July 30 of each year, ADVS is required to report specified information on the Program to the Legislature. Appropriates \$500,000 from the general fund FY2023-24 to ADVS for the Program.

**Tracking Lists:** Community Health and Human Services

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### SB1462 - Appropriation; coordinated homeless services

**Summary:** Appropriates \$25 million from the general fund in FY2023-24 to the Arizona Department of Economic Security for coordinated homeless services.

**Tracking Lists:** Community Health and Human Services

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### SB1465 - Housing trust fund; deposit; appropriation

**Summary:** All monies remaining in the State Lottery Fund after the statutory appropriations and deposits are deposited in the Housing Trust Fund, instead of the general fund. At the end of each fiscal year, the Arizona Finance Authority is required to transfer all unencumbered monies in the Arizona Finance Authority Operations Fund to the Housing Trust Fund, instead of the Economic Development Fund. After statutory deposits, the Arizona Department of Revenue is required to deposit 75 percent of the monies remaining from the proceeds of the sale of abandoned properties each fiscal year in the Housing Trust Fund.

**Tracking Lists:** Community Health and Human Services

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### SB1506 - Rental housing; income source discrimination.

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**Summary:** A landlord is prohibited from using the "source of income" (defined) of an otherwise eligible prospective or current tenant to take any of a list of action including refusing to rent, eviction, or in any other manner denying a rental unit. For a landlord who requires that a prospective or current tenant meet certain threshold level of income, any source of income in the form of a rent voucher or subsidy must be subtracted from the total of the monthly rent calculating whether the income criteria have been met. Violations are an unlawful practice subject to enforcement by the Attorney General.

**Comment:** Support. Scheduled for a committee discussion

**Tracking Lists:** Community Health and Human Services

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### **SB1541 - Housing trust fund; unclaimed property.**

**Summary:** The amount of proceeds from the sale of abandoned property that are deposited in the Housing Trust Fund each fiscal year is changed to 55 percent of proceeds, instead of \$2.5 million.

**Comment:** Support

**Tracking Lists:** Community Health and Human Services

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### **SB1569 - Study committee; eviction prevention**

**Summary:** Establishes a 19-member Study Committee on Statewide Eviction Prevention and Housing Affordability to conduct a comprehensive study on reducing eviction filings, review related policies and statutes, conduct research on housing affordability issues, and propose legislation to address these issues. The Committee is required to submit a report of its activities and recommendations to the Governor and the Legislature by December 1, 2023, and self-report by November 1, 2024.

**Comment:** Support

**Tracking Lists:** Community Health and Human Services

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### **SB1585 - Homelessness; rights; eviction; housing; appropriation**

**Summary:** A person's rights, privileges or access to public services cannot be denied or abridged solely because the person is homeless. A homeless person has the same rights and privileges as any other Arizona resident. The Administrative Office of the Courts (AOC) is required to establish a statewide eviction diversion and prevention program that provides tenant education through community-based organizations in Arizona for tenant rights. The AOC, through community-based organizations, is also required to provide legal aid to assist tenants with criminal record expungement, unemployment, disability and social security benefits and landlord and tenant assistance to enable housing stability. The Arizona Department of Administration (ADOA) is required to develop a pilot program that provides affordable housing opportunities to individuals experiencing homelessness and provides a list of specified services. The Arizona Department of Housing (ADOH) is authorized to award grants to a municipality, a tribe, a county, or a nonprofit organization in cooperation with a municipality or county to establish or operate sanctioned housing for unsheltered individuals experiencing homelessness. Requirements for sanctioned housing are listed. More. Appropriates \$150 million from the general fund in FY2023-24 to ADOH for the grant program. Appropriates \$20 million from the general fund in FY2023-24 to ADOH for the Affordable Housing Pilot Program and specifies Program requirements. Appropriates \$20 million from the general fund in FY2023-24 to the Department of Economic Security to distribute for rental assistance. Appropriates \$6 million from the general fund in FY2023-24 to the AOC for the eviction diversion and prevention program. Emergency clause.

**Tracking Lists:** Community Health and Human Services

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### **SB1644 - Landlord tenant; early termination; violence**

**Summary:** The list of documents that a tenant may provide to a landlord along with written notice that the tenant is terminating a rental agreement without incurring early termination penalties or fees is expanded to include a copy of a written statement from a "qualified third party" (defined) that the tenant was a victim of domestic violence or sexual assault.

**Tracking Lists:** Community Health and Human Services

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### **SCR1011 - Homelessness; facilities; housing**

**Summary:** The 2024 general election ballot is to carry the question of whether to amend state statute to allow monies in the Housing Trust Fund to be used for services for individuals experiencing homelessness. The Arizona Department of Housing (ADOH) is required to accept and allocate monies appropriated by the Legislature for services for individuals experiencing homelessness. Monies must be used for parking areas that have access to potable water, electrical outlets, and bathrooms; camping facilities and individual shelters that meet specified requirements; and shelters that house at least four individuals and provide programs to improve the employment and income of individuals leaving the shelter. ADOH is required to prioritize spending for all of these purposes before spending monies on permanent housing for individuals experiencing homelessness. ADOH is authorized to use monies appropriated to assist individuals experiencing homelessness with substance abuse treatment, mental health treatment, and other services. A person is prohibited from using state or local government owned lands for unauthorized sleeping, camping, or long-term shelter, and from allowing such land to be used for these purposes. Political subdivisions are prohibited from adopting or enforcing policies that discourage or prohibit the enforcement of any order or ordinance that prohibits public camping or sleeping or obstructing a public right-of-way. The Attorney General is authorized to bring a civil action against a political subdivision in violation. Severability clause.

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**Tracking Lists:** Community Health and Human Services

# Clerk and Elections

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## HB2072 - Voter registration; same day

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**Summary:** A person who is otherwise qualified to register to vote may register during the 28 days immediately preceding an election and is eligible to vote in the election if the person has been a resident of the county and the precinct in which the person resides for at least 29 days immediately preceding the election. A person who is otherwise qualified to register to vote may register on election day by appearing at the polling place, completing a registration form, and providing proof of residence. Registration under these circumstances does not qualify a person to vote in a partisan primary election.

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**Tracking Lists:** Clerk and Elections

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## HB2073 - Automatic voter registration

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**Summary:** Every person who is applying for a driver license or renewal, including a nonoperating identification license or renewal, or who is making changes to license information and who is otherwise qualified to register to vote must be registered to vote automatically on completion of the license application if the applicant declines to register. A person who is not qualified to register to vote and who unknowingly registers under this provision is not guilty of false registration or false swearing. Effective January 1, 2024.

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**Tracking Lists:** Clerk and Elections

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## HB2078 - Counties; elections; state audits

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**Summary:** An "eligible person" (defined as a candidate in the election, a county political party chairperson, or the chairperson of a political committee that supports a ballot measure that was on the ballot in the election) is authorized to make a written request to the county recorder or other officer in charge of elections for an explanation and supporting documentation regarding an action taken by an election officer that appears to violate statute, irregularities in precinct or voting center results, and/or inadequacy of or irregularity in documentation required to be maintained by statute. The county recorder or other officer in charge of elections is required to provide the requested explanation and supporting documentation within 20 days after the request. If the eligible person is not satisfied, the person is authorized to request an additional explanation and supporting documentation, which the county recorder or other officer in charge of elections must provide within 10 days. If the eligible person is not satisfied with the additional explanation, the person is authorized to submit a written request to the Secretary of State regarding the requests. The Secretary of State is required to review the matters in question and may request additional information from the county recorder or other officer in charge of elections, which must be responded to within 30 days. If not satisfied with the response, the Secretary of State is authorized to conduct an audit of the claimed actions, irregularities, or inadequacies of the county recorder or other officer in charge of elections. The county recorder or other officer in charge of elections is required to remedy matters specified in the Secretary of State's findings within 30 days. The Secretary of State is authorized to assess a civil penalty of no more than \$500 for each unresolved finding against the county recorder or other officer in charge of elections.

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**Tracking Lists:** Clerk and Elections

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## HB2096 - Early ballots; Friday deadline

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**Summary:** Early ballots are no longer allowed to be deposited at any polling place on election day, and instead are required to be delivered in person to the office of the county recorder or to a polling place or other voting location by 5:00 PM on the Friday before election day. Repeals statutes governing on-site tabulation of early ballots.

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**Tracking Lists:** Clerk and Elections

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## HB2229 - Legislative intent; secrecy; mail voting

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**Summary:** Voting by mail is banned in Arizona. Persons who are unable to go to the polls will be provided alternate means of voting that ensure secrecy to the greatest extent possible. Does not apply to persons covered by the Uniformed and Overseas Citizens Absentee Voting Act and Arizona citizens who temporarily residing out of state. The Legislature is required to put in place additional measures to ensure as much secrecy as possible for these voters, including confirming that the person is an Arizona resident and registered voter, ensuring that the mailed ballot is sent to the correct address, and having a certified witness attest that the voter voted in the absence of others and that the voter did not show any other person the voted ballot before placing it in the envelope. Contains a legislative intent section.

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**Tracking Lists:** Clerk and Elections

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## HB2304 - Voting locations; precinct-based

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**Summary:** In all elections administered by a county, all voting is required to be conducted at precinct-based polling places. A county may not use any voting location that provides for countywide access to ballots for registered voters from any location in the county.

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**Tracking Lists:** Clerk and Elections

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## HB2305 - Ballots; signature verification; observers

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**Summary:** The county recorder and county officer in charge of elections are required to allow representatives of the two largest political parties entitled to continue representation on the ballot to observe each stage of the signature verification process for early, provisional and conditional provisional ballots. Observe

must be allowed to observe from a distance at which they can reasonably view the contents of any screens or monitors used to display information related to signature verification. An observer is authorized to challenge ballot affidavit envelopes that appear to not meet signature standards. Challenged envelopes must be sent to a bipartisan challenge review board for review. The county recorder and county officer in charge of elections are required to maintain chain of custody documentation at each stage of the signature and affidavit verification process. Violations are a class 5 (second lowest) felony and the county attorney has a nondiscretionary duty to file the charge. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### **HB2306 - Ballot custody; verification; observers**

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**Summary:** The county recorder and the county officer in charge of elections are required to maintain an accurate log of the chain of custody for unvoted and voted ballots. The chain of custody log must begin when unvoted ballots are received by the county recorder and county officer in charge of elections from ballot printer and continue until completion of the canvass. Representatives of the two largest political parties entitled to continued representation on ballot are required to observe and verify each transfer of custody.

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**Tracking Lists:** Clerk and Elections

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### **HB2307 - Elections; hand counting; machines; prohibition**

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**Summary:** For all county and municipal elections, all votes are required to be tabulated by hand. Counties and municipalities are prohibited from using a tabulating machine to count votes.

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**Tracking Lists:** Clerk and Elections

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### **HB2308 - Secretary of state; election; recusal**

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**Summary:** The Secretary of State is prohibited from taking any action with respect to the portion of an election in which the Secretary of State is a candidate, or required to announce publicly the person in the Secretary of State's office who will perform those duties.

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**Tracking Lists:** Clerk and Elections

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### **HB2319 - Elections; rule of construction**

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**Summary:** The Legislature declares that the purpose of statutes regulating the conduct of elections is to provide the people of Arizona with a transparent system for conducting elections. If there are two competing interpretations of statutes regulating the conduct of elections, the provisions are required to be liberally construed in favor of the reading that provides greater transparency. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### **HB2322 - Early ballots; signatures; guidelines; challenges**

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**Summary:** The Secretary of State's July 2020 signature verification guide constitutes the minimum requirements for comparison of signatures. Signatures that do not meet the requirements must be rejected unless cured as provided in statute. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### **HB2378 - Officials; political action committee prohibition**

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**Summary:** The Secretary of State, a member of a county board of supervisors, a county recorder, and any other officer in charge of elections and their employees are prohibited from being a chairperson, treasurer or other member of a political action committee. Does not apply to an individual's membership in a political action committee for that individual's own candidacy. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### **HB2552 - Voting; elections; tally; prohibition**

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**Summary:** For every election held in Arizona, the person who receives the highest number of legal votes is required to be declared elected. The state, counties, municipalities, or political subdivisions are prohibited from using a voting method in an election or nomination process for any state, city, town, county, or federal office that allows voters to select or rank, designate or otherwise indicate approval of or preference for more candidates than are eligible to be declared elected for any office; that allows ballots cast to be tabulated in any manner that involves the elimination of candidates through multiple round tabulation or the transfer or redistribution of votes between or among candidates; or that requires the ranking of every candidate for an office as a condition of a voter's vote being counted in the final tally.

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**Tracking Lists:** Clerk and Elections

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### **HB2560 - Images; voter lists; records; contest.**

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**Summary:** No later than ten days before each election, the county recorder or other officer in charge of elections is required to publish and post online a list of a voters who are registered to vote in the election, including persons who are on the inactive voter list. After the primary and general election and no later than 48 hours after the delivery of the official county canvass, the county recorder or other officer in charge of elections is required to submit to the Secret State, who shall immediately post online in a convenient downloadable format, a list of all persons who voted in the election, all ballot images used in the tabulation of the election, and the "cast vote record" (defined) in a sortable format. It is a class 1 (highest) misdemeanor to alter the contents of an individual's cast vote record from the database. The county recorder or other officer in charge of elections is required to ensure that paper ballots are stored in a manner that allows for convenient retrieval.

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**Tracking Lists:** Clerk and Elections

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### HB2591 - Elections; early ballot drop boxes

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**Summary:** All ballot drop boxes used in Arizona to receive voted early ballots must be located inside a county building, except that a drop box may be located outside of a building if the ballot drop box is secured to a building or footing. Ballot drop boxes must be usable only on Monday through Friday from 8:00AM to 5:00PM and must include a functioning camera or video recorder that photographs or video records and stores the images of each person who deposits one or more early ballots. The camera or video recorder may be motion activated. Establishes a fine of \$1,000 for each ballot for a person who knowingly marks a voted or unvoted ballot or ballot envelope with the intent to fix an election and for possessing a voted or unvoted ballot with the intent to sell or give a voted or unvoted ballot of another person. Contains a legislative intent section. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### HB2691 - Elections; ballot chain of custody

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**Summary:** Ballot boxes must be locked with a tamper evident seal. The county board of supervisors is required to provide a chain of custody record that begins at the ballot printing location and continues through delivery to the county recorder or other officer in charge of elections. The county recorder or other officer in charge of elections is required to prepare a chain of custody record for the transportation and delivery of all voted ballots. Chain of custody records must include the time and signature for each point of contact, including the signature of the voting location supervisor when the ballots are received for use at the voting and when election board members leave with the voted ballots, the signature of each election board member delivering the voted ballots, and the signature of the supervisor at the receiving site who receives the voted ballots. Chain of custody records are required to include the date, time, location, and name of any election official who handles or processes a ballot. The county recorder or other officer in charge of elections is required to maintain a record of all voting irregularities that occur during early voting, emergency voting and election day voting, and information that must be included in the record is specified. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### HB2701 - Secure ballot containers; pilot program

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**Summary:** A county with a population of more than 230,000 persons and less than 400,000 persons (Yavapai County) is authorized to establish and implement a pilot program for the use of secure ballot deposit containers to receive voted early ballots. Each secure ballot deposit container is required to be unlocked for the purpose of depositing ballots by use of a card or other similar means that is issued to the voter by the county recorder for that purpose and must provide for the secure retention of the voted ballots until accessed by a person who is authorized by the county recorder to collect the ballots for verification and tabulation. Appropriates \$1.5 million from the general fund in FY2023-24 to the Secretary of State for disbursement to a county recorder for the pilot program.

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**Tracking Lists:** Clerk and Elections

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### HB2722 - Elections; option; full hand count

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**Summary:** The officer in charge of elections, the county recorder, or any person who is designated by the county board of supervisors is allowed to count by hand any portion of the ballots in an election. If the hand count is for less than one hundred percent of the ballots, the specific ballots to be counted must be randomly selected. Contains a legislative intent section. AS PASSED HOUSE

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**Tracking Lists:** Clerk and Elections

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### HB2808 - Public records; time frame

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**Summary:** An entity that is subject to a public records request is required to provide, within five business days after receiving a request for the records, a notification that includes specified information, including the expected date the request will be processed. An entity that willfully or intentionally refuses to comply with public records request laws or otherwise acts in bad faith is subject to a civil penalty of \$500 to \$5,000 for each occurrence. AS PASSED HOUSE

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**Comment:** Amended in committee this week. Earlier: Oppose. Problematic language that does not offer sufficient time for responsible redaction (e.g. victims' and/or relevant information) and compilation of records.

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**Tracking Lists:** CAO, Clerk and Elections, PD, Finance Budget Procurement Audit

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### HCR2003 - Elections; bonds; technical correction

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**Summary:** Proposes a minor change in Article VII, Section 13, of the state Constitution related to bond elections. Apparent striker bus for a proposition to be refiled at the next general election.

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**Tracking Lists:** Clerk and Elections

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### HCR2040 - In-person precinct voting; absentee voters

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend state statute to eliminate early voting and restrict absentee voting to voters on one of a list of specified circumstances, including being absent from the voter's precinct at the time of the election and being physically unable to go to the polls.

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**Tracking Lists:** Clerk and Elections

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### HCR2041 - Initiative; referendum; signatures; legislative districts...

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to require statewide initiative measures to obtain signatures from 10 percent of the voters from each legislative district, instead of from the entire state, for a statewide measure, and from 15 percent of voters of each legislative district, instead of from the entire state, for an amendment to the state Constitution.

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**Tracking Lists:** Clerk and Elections

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### SB1006 - Municipal notices and ordinances; posting

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other public notice issued by a municipal governing body are allowed to be posted on the municipality's website in lieu of being published in a newspaper. A municipality that posts notices on the website is required to provide a link to a listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections

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### SB1011 - Municipalities; partisan elections

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**Summary:** Municipal elections may be held with the candidate's political party registration indicated on the ballot. Applies to municipal elections held on or after January 1, 2024.

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**Tracking Lists:** CAO, Clerk and Elections

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### SB1020 - Open meetings; capacity; posting

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**Summary:** All public bodies are required to provide for an amount of seating sufficient to accommodate the reasonably anticipated attendance of all persons desired to attend the deliberations and proceedings, when feasible. The agenda for a public meeting is required to include notice of the time that the public will have physical access to the meeting place.

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**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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### SB1048 - Campaign finance; reporting threshold; lobbyists

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**Summary:** The list of receipts that must be itemized in campaign finance reports is modified to require itemization of contributions from in-state individuals whose contributions exceed \$200 for that election cycle, increased from \$100, and to require itemization of contributions from individuals who are registered lobbyists. AS PASSED SENATE

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**Tracking Lists:** Clerk and Elections

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### SB1068 - Election board workers; political party

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**Summary:** The election board at each precinct is required to include at least one member of each of the two political parties that cast the highest number of votes in Arizona at the last preceding general election, and the requirement for election board workers to be divided equally between those two political parties is deleted.

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**Tracking Lists:** Clerk and Elections

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### SB1105 - Early ballots; election day tabulation

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**Summary:** County recorders or other officers in charge of elections are required, instead of allowed, to provide for a qualified voter who appears at their designated polling place or at a voting center on election day with their voted early ballot to have their ballot tabulated.

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**Tracking Lists:** Clerk and Elections

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### SB1116 - Political signs; public roadways; prohibition

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**Summary:** A person is prohibited from placing a political sign in or on the right-of-way of a public road.

**Tracking Lists:** Neighborhoods, CAO, Clerk and Elections, Community Development

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### SB1135 - Spoiled early ballots; election day

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**Summary:** If a voter brings the voter's early ballot to a polling place or other voting location on election day, the county recorder is required to remove the voter's active early voting list and an early ballot will no longer be sent to the voter automatically. If a voter brings an early ballot to a polling place or other voting center on election day, the early ballot is considered spoiled and the voter must exchange the early ballot for a regular ballot. County recorders or other officials in charge of elections are required, instead of allowed, to provide for a qualified voter who appears at their designated polling place or at a voting center on election day with their voted early ballot to have their ballot tabulated. Also deletes authorization for county boards of supervisors to establish emergency voting centers.

**Tracking Lists:** Clerk and Elections

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### SB1137 - Maricopa county; division; new counties

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**Summary:** Divides Maricopa County into four counties by modifying the Maricopa County boundaries and adding three new counties: Hohokam County, Mogollon County, and O'odham County. Maricopa County operations will continue in their existing form through a transition period of up to three years after the effective date of this legislation. The boards of supervisors of Hohokam, Mogollon, and O'odham Counties will be elected at a special election held within 120 days after the effective date of this legislation. Currently elected Maricopa County Supervisors continue in their capacity for the remainder of the term in whichever county their supervisory district is located. The elected boards of supervisors in the three new counties will determine an application process for municipalities to apply to be the county seat, which will be determined at a special election to be held within 120 days from the election of the board of supervisors. The four counties are authorized to enter into a ten-year shared use agreement for the use of existing shared capital assets. The four counties are required to enter into an intergovernmental agreement for the continued operation of community colleges for at least ten years after the effective date of this legislation. Effective January 1, 2024.

**Comment:** Oppose

**Tracking Lists:** CAO, Clerk and Elections, Finance Budget Procurement Audit, Engineering and Transportation

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### SB1140 - Elections; voting centers; polling places (~~Elections; voting centers prohibited~~)

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**Summary:** On every regular primary and general election day, public schools must be closed, except that teachers and staff must receive or conduct training or development activities on those days. Teachers and staff are prohibited from using leave time on election days and must receive compensation. Do not prohibit school districts from providing an employee time off to vote. A state, county, municipal, or school district office, and a public school with a "gymnasium" (defined) are required to provide sufficient space for use as a polling place for any state, county, or municipal election when requested by an officer in charge of elections. The public school is exempt from any requirements that would prevent or limit the use of the school and its gymnasium as a polling place. School principals are no longer allowed to deny a request to provide space for use as a polling place. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

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### SB1141 - Early ballot drop off; identification

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**Summary:** For any voter or voter's agent who delivers one or more voted early ballots in affidavit envelopes at any polling place or voting center, the election board must require the person to present valid identification that meets statutory requirements for his/her own early ballot or for another person's ballot, and the person must attest in writing that he/she is the voter's family member, household member or caregiver for another person's early ballot. Knowing violations are a class C (second-lowest) felony. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

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### SB1142 - Voter registration events; posting

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**Summary:** The Secretary of State and each county recorder is required to post on their public websites a list of each event that the Office of the Secretary of State or the county recorder attends and provides voter registration services. [Capitol Reports Note: These provisions were originally signed into law as Laws chapter 405 (part of the FY2021-22 budget), but were deemed unconstitutional by the Arizona Supreme Court in Arizona School Boards Association v. State of Arizona.]

**Tracking Lists:** Clerk and Elections

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### SB1170 - Ballot drop boxes; requirements; appropriation (~~Ballot drop boxes; prohibition~~)

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**Summary:** A county recorder or other officer in charge of elections is authorized to use an unmonitored drop box for receipt of voted early ballots if the drop box is located inside a polling place, voting center, county recorder's office, or other location at which election staff is present and monitoring the drop box. A county recorder or other officer in charge of elections is authorized to use an outdoor drop box for receipt of voted early ballots if two or more election

workers with equal representation of the two largest political parties in the state monitor the drop box from 8AM to 5PM, and an election worker monitor the drop box via a live video recording system from 5PM to 8AM. Appropriates \$1 million from the general fund in FY2023-24 to the State Treasurer for disbursement to counties for reimbursement of the costs of relocating ballot drop boxes, providing for personnel to monitor the overnight video feed of drop boxes, and developing or acquiring appropriate infrastructure for live video and audio recording of drop boxes in rural areas. AS PASSED SENATE

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**Comment:** Problematic language

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**Tracking Lists:** Clerk and Elections

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### **SB1178 - Early voting; identification; signature**

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**Summary:** If a voter is issued an early ballot at any voting location during the period of early voting after presenting and confirming the required identification, the voter's early ballot is deemed ready for tabulation, and additional signature verification of the completed affidavit envelope is not required.

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**Tracking Lists:** Clerk and Elections

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### **SB1180 - Voter registrations; payment prohibited**

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**Summary:** A person is prohibited from paying or receiving money or any other thing of value based on the number of voter registrations or voter registration forms collected, completed or submitted.

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**Tracking Lists:** Clerk and Elections

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### **SB1201 - Early ballots; signatures; electronic pollbooks**

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**Summary:** Signatures on polling place or voting center electronic pollbooks cannot be used for signature comparisons to verify the signature on an early ballot.

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**Tracking Lists:** Clerk and Elections

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### **SB1256 - Resign to run; nomination paper**

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**Summary:** The requirement for an incumbent of a salaried elective office to resign to run for nomination or election to a salaried local, state, or federal office applies even during the final year of the term being served. The incumbent is required to resign within 30 days after filing a nomination paper.

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**Tracking Lists:** Clerk and Elections

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### **SB1264 - Officials; political action committee prohibition.**

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**Summary:** An individual who is an elected election officer or a political employee of an elected election officer who has substantial and material administrative discretion over any aspect of election operations is prohibited from being a chairperson, treasurer or other member of a political action committee. Does not apply to an individual's membership in a candidate committee for that individual's own candidacy. AS PASSED SENATE

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**Tracking Lists:** Clerk and Elections

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### **SB1265 - Voting; elections; tally; prohibition.**

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**Summary:** For every election held in Arizona, the person who receives the highest number of legal votes is required to be declared elected. The state, counties, municipalities, or political subdivisions are prohibited from using a voting method in an election or nomination process for any state, city, town, county or federal office that allows voters to select or rank, designate or otherwise indicate approval of or preference for more candidates than are eligible to be declared elected for any office; that allows ballots cast to be tabulated in any manner that involves the elimination of candidates through multiple round tabulation or the transfer or redistribution of votes between or among candidates; or that requires the ranking of every candidate for an office as a condition of a voter's vote being counted in the final tally.

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**Tracking Lists:** Clerk and Elections

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### **SB1270 - Open meetings; capacity**

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**Summary:** Schools, school boards, executive boards, and municipalities are required to provide for an amount of seating sufficient to accommodate the reasonable anticipated attendance of all persons desiring to attend the deliberations and proceedings, when feasible. Does not require a public body to relocate a meeting outside of the largest regular meeting room. Except for a meeting through technological devices, the agenda for a public meeting is required to include notice of the time that the public will have physical access to the meeting place. AS PASSED SENATE

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**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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### **SB1273 - Early ballot delivery; instruction requirements**

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**Summary:** The instructions for the guidance of voters and election officers at an election, and the instructions included in the envelope with an early ballot are required to include information that a person may only handle or return their own ballot or the ballot of family members, household members, or persons for whom

they are caregivers, and that it is unlawful to handle or return the ballot of any other person. AS PASSED SENATE

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**Tracking Lists:** Clerk and Elections

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### **SB1287 - Election returns; canvass; review**

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**Summary:** If returns from any polling place in the election district where polls were opened and an election held are found to be "in question," the canvass of the election is required to be postponed from day to day until the governing body holding the election has to its satisfaction examined all the returns and ascertained the facts which the returns disclose or until six postponements have been had.

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**Tracking Lists:** Clerk and Elections

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### **SB1303 - Campaign finance; contributions; reporting**

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**Summary:** If an in-state individual has made prior campaign contributions that total less than \$100 during an election cycle, only those contributions that when added to the prior contributions total more than \$100 and all subsequent contributions are required to be reported on a campaign finance report.

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**Tracking Lists:** Clerk and Elections

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### **SB1324 - Images; voter lists; records; contest**

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**Summary:** No later than ten days before each election, the county recorder or other officer in charge of elections is required to publish and post online a list of all voters who are registered to vote in the election, including persons who are on the inactive voter list. After the primary and general election and no later than 48 hours after the delivery of the official county canvass, the county recorder or other officer in charge of elections is required to submit to the Secretary of State, who shall immediately post online in a convenient downloadable format, a list of all persons who voted in the election, all ballot images used in the tabulation of the election, and the "cast vote record" (defined) in a sortable format. It is a class 1 (highest) misdemeanor to alter the contents of an inactive voter list or a cast vote record from the database. The county recorder or other officer in charge of elections is required to ensure that paper ballots are stored in a manner that allows for convenient retrieval.

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**Tracking Lists:** Clerk and Elections

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### **SB1370 - Municipal ordinances and notices; posting**

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other notices of a public character issued by authority of the governing body of any municipality may be posted on the municipality's website in lieu of being published in a newspaper if the municipality is located in a county with a population of 4 million persons or more (Maricopa County). A municipality that posts notices on the website is required to provide a link listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections, Community Development, Finance Budget Procurement Audit, Communications & Marketing

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### **SB1451 - Early voting; preceding weekend**

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**Summary:** If the county recorder or other officer in charge of elections is able to revise precinct registers and other elections materials in a timely manner for use on election day to indicate which voters have requested an early ballot, which voters have already voted, and which voters are on the inactive voter list, the county recorder or other officer in charge of elections is allowed to operate the on-site early voting locations during the Saturday, Sunday and Monday immediately preceding election day.

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**Tracking Lists:** Clerk and Elections

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### **SB1452 - Primary election date; May**

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**Summary:** Beginning in 2024, the primary election is moved to the last Tuesday before the last Monday in May in any year in which a general election or special election is held, instead of the first Tuesday in August in those years.

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**Tracking Lists:** Clerk and Elections

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### **SB1467 - On-site tabulation; emergency; multiple days**

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**Summary:** During the Saturday, Sunday and Monday immediately preceding the election and until 5:00PM on the Monday preceding the election, the board of supervisors may provide for qualified electors to vote in the manner prescribed by the board of supervisors of their respective county for election day in which qualified electors are issued ballots that are tabulated on-site or that are tabulated at a counting center. County boards of supervisors are not allowed to authorize the use of emergency voting centers.

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**Tracking Lists:** Clerk and Elections

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### **SB1471 - Ballot tabulation; hand count comparison**

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**Summary:** By September 1, 2023, the officer in charge of elections in a county with a population of more than 400,000 persons (Maricopa County, Pima County Pinal County) is required to randomly select 400 ballots from the ballot test decks randomized by precincts used for logic and accuracy testing for the general election and is required to recount all races using 100 of those ballots from each precinct. The recounting is required to include the use of duplication boards, adjudications boards and other functions generally used or required in ballot tabulations. The hand count boards are required to consist of volunteers who are members of the three largest political parties in the state and must include on each team a member of at least two different political parties. The actual ballots must be counted through a county ballot tabulator, and photocopies of the actual ballots must be hand counted. The officer in charge of elections is required to compare the totals, and if there is any difference in the totals, the ballots and photocopies must be retabulated and recounted. After determining the average number of ballots counted for each hand counting team, the officer in charge of elections is required to estimate how many persons working 16 hours each day would be required to hand count the entire number of ballots cast in the November 2022 election. The officer in charge of elections is required to report on the results of the tabulations and calculations to the Governor and the Legislature. Self-repeals March 2023. The Legislature intends that the retabulation and hand count may be conducted as early as July 1, 2023. AS PASSED SENATE

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**Tracking Lists:** Clerk and Elections

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### **SB1518 - Ballots; election day; identification**

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**Summary:** During the period of early voting or on election day, if a voter is issued an early ballot at any voting location or presents at any voting location the voter's mailed early ballot and the voter presents and confirms the required voter identification, the voter's early ballot is deemed ready for tabulating, and additional signature verification of the completed affidavit envelope is not required. After the period of early voting, a voter who delivers the voter's voted early ballot to the county recorder or other officer in charge of elections or to a polling location is required to present and confirm the required voter identification before depositing the voted early ballot in a secure ballot box that is separate from ballot tabulators. Only the voter may deliver the voted early ballot.

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**Tracking Lists:** Clerk and Elections

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### **SB1565 - Ballot processing; electronic adjudication; limitation**

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**Summary:** Machines, devices, firmware, or software used in Arizona elections are prohibited from including any artificial intelligence or learning hardware, firmware, or software. Artificial intelligence or learning software or firmware is prohibited from being used in the processing of early ballots or by the election board in verifying the voter's affidavit.

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**Tracking Lists:** Clerk and Elections

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### **SB1566 - Voter registration; reregistration; ten years**

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**Summary:** The county recorder is required to cancel all voter registrations on the effective date of this legislation, and on April 2 in every year thereafter that ensues. Before doing so, the county recorder is required to notify each person who was on the voter registration rolls on that date that the person's voter registration is canceled and that the person must reregister to vote. The county recorder is required to provide information and instructions on how to reregister to vote and is required to archive the voter registration rolls for each date on which all voter registrations are canceled.

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**Tracking Lists:** Clerk and Elections

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### **SB1589 - Voter registration databases; designation**

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**Summary:** The Secretary of State is required to designate a list of voter registration databases and voter registration database services to be used monthly by the county recorder to determine possible registrations in multiple jurisdictions and possible changes of address.

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**Tracking Lists:** Clerk and Elections

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### **SB1592 - Hand count audit; technical correction**

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**Summary:** Minor change in Title 16 (Elections and Electors) related to hand count audits. Apparent striker bus.

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**Tracking Lists:** Clerk and Elections

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### **SB1593 - Recall; requirements; petitions**

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**Summary:** A special recall election must be held on the next following consolidated election date that is 120 days or more, increased from 90 days or more, after the order calling the election. A candidate for office in a special recall election is required to file a nomination petition between 90 and 120 days before the date of the recall election, instead of between 60 and 90 days before.

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**Tracking Lists:** Clerk and Elections

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### **SB1595 - Early ballots; identification; tabulation**

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**Summary:** Beginning after 7:00PM on the Friday preceding election day, if a voter deposits an early ballot at a polling place, the voter is required to present the required voter identification and sign the signature roster or electronic pollbook before depositing the ballot. If a "voter's agent" (defined elsewhere in statute) delivers a voter's ballot to any polling place, the ballot will be counted and valid only if the voter presents the required voter identification to the officer in charge of elections.

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county recorder or other officer in charge of elections no later than the 5th business day after election day for a primary, general, or special election that includes a federal office, and no later than the 3rd business day after election day for any other election. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

### **SB1596 - Polling places; office spaces; appropriation (~~Polling places; public office spaces~~)**

**Summary:** A state, county, municipal, or school district office is required to provide sufficient space for use as a polling place for any state, county, or municipal election when requested by the officer in charge of elections. Appropriates \$10 million from the general fund in FY2023-24 to the State Treasurer to reimburse counties for additional personnel, equipment, and other election-related costs incurred by the counties to implement this legislation. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

### **SB1597 - Early ballot on-site tabulation; requirement**

**Summary:** No later than the 2024 general election, counties with a population of more than 500,000 persons (Maricopa County and Pima County) are required, if allowed, to provide for at least one polling location in each legislative district to allow a qualified voter who appears at the voter's designated polling location or at a voting center on election day with their voted early ballot to have the ballot tabulated on-site. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

### **SB1598 - Elections; observers; federal candidates**

**Summary:** During the general election, one representative at any one time for each candidate for federal office who has been designated by the candidate is allowed to observe at the counting center. If more than one U.S. House of Representatives candidate from each political party represented on the ballot designates an observer, a draw by lot must determine which candidates from each political party may send an observer. AS PASSED SENATE

**Tracking Lists:** Clerk and Elections

### **SB1610 - Voter registration system fund; committee**

**Summary:** Establishes the Voter Registration System Committee within the Secretary of State's Office, consisting of the 15 county recorders or the recorders' designees and the Secretary of State or the Secretary of State's designee. By January 1, 2024, the committee is required to oversee the administration of the State Contributions to the Voter Registration System Fund and contract negotiations for and the maintenance and operations of the statewide voter registration database.

**Tracking Lists:** Clerk and Elections

### **SB1650 - Auditor general; duties; access**

**Summary:** Various changes to statutes relating to the Auditor General. All officers of any state agency, board, commission, department, institution, program, advisory council, committee, or political subdivision are required to provide reasonable and needed facilities for Auditor General staff and make records available in the form and at the time prescribed. It is a class 2 (mid-level) misdemeanor to knowingly obstruct or mislead the Auditor General in the execution of his or her duties. Modifies the list of factors that a committee of reference must consider in determining the need for continuation or termination of a state agency. Modifies the information that must be included in the final sunset review report by each committee of reference. AS PASSED SENATE

**Comment:** Issues with attorney-client privilege.

**Tracking Lists:** CAO, Clerk and Elections

### **SB1695 - Election violations; disenfranchisement; new election**

**Summary:** For the primary and general election in a county with a population of more than one million persons (Maricopa and Pima), the county board of supervisors, county recorder and county officer in charge of elections are prohibited from canvassing the results of an election in which election laws were violated if the violations resulted in the disenfranchisement of at least one percent of the eligible voters in the county. The county board of supervisors, county recorder and county officer in charge of elections are required to hold a new primary or general election. Any member of the board of supervisors who violates these requirements must forfeit that office.

**Tracking Lists:** Clerk and Elections

### **SCR1002 - Constitutional amendments; sixty percent approval**

**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to require approval by 60 percent of the votes cast on the measure for an initiative or referendum measure that amends the state Constitution to become law, instead of a majority of the votes cast.

**Tracking Lists:** Clerk and Elections

### **SCR1015 - Initiative; referendum; signatures; legislative districts**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to require statewide initiative measures to obtain signatures from 10 percent of the voters from each legislative district, instead of from the entire state, for a statewide measure, and from 15 percent of voters of each legislative district, instead of from the entire state, for an amendment to the state Constitution.

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**Tracking Lists:** Clerk and Elections

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### **SCR1027 - Cities; towns; elections**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to state that for any municipality that provides for election of municipal council members by district, ward, precinct or other geographic designation, only those voters who are qualified electors of the ward, precinct or other geographic designation, as applicable, are eligible to vote for that council member candidate in the municipality's primary, general runoff or other election.

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**Tracking Lists:** Clerk and Elections

# Communications and Marketing

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## HB2416 - Electronic applications; government employees; prohibition (~~Technical correction; sports facilities account~~)

**Summary:** By 30 days after the effective date of this legislation, the Department of Administration is required to develop standards, guidelines, and practices for agencies, contractors of the state, and public institutions of higher education that require the removal of any "covered application," defined as a social networking service and any application or service developed or provided by a private company that is founded, headquartered, or located in a "count concern" (defined). The standards are also required to address the use of personal electronic devices by state employees and contractors to conduct business, and to identify sensitive locations, meetings, or personnel within a state agency that could be exposed to covered application-enabled personal devices and develop restrictions on the use of personal cell phones, tablets, or laptops in a designated sensitive location. State employees and contractors are prohibited from conducting state business on any personal electronic device that has a covered application, and from using any communications equipment and services that are included on the Federal Communications Commission's covered communications or services list and that are deemed to pose an unacceptable risk to the national security of the United States. More. AS PASSED HOUSE

**Tracking Lists:** IT, Communications & Marketing

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## SB1020 - Open meetings; capacity; posting

**Summary:** All public bodies are required to provide for an amount of seating sufficient to accommodate the reasonably anticipated attendance of all persons desiring to attend the deliberations and proceedings, when feasible. The agenda for a public meeting is required to include notice of the time that the public will have physical access to the meeting place.

**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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## SB1258 - Public officers; announcements; report

**Summary:** For any publication, resource or public service announcement that is issued by a public officer, that contains the public officer's name or likeness, and distributed free of charge or through the use of taxpayer resources, the public officer is required to publish a quarterly report describing the amount of money that was spent on the publication, resource, or public service announcement.

**Comment:** Problematic, broad language that would require additional work to be able to share and be transparent with PSAs, public resources, meeting announcements, interviews, etc with the community.

**Tracking Lists:** CAO, Communications & Marketing

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## SB1270 - Open meetings; capacity

**Summary:** Schools, school boards, executive boards, and municipalities are required to provide for an amount of seating sufficient to accommodate the reasonably anticipated attendance of all persons desiring to attend the deliberations and proceedings, when feasible. Does not require a public body to relocate meeting outside of the largest regular meeting room. Except for a meeting through technological devices, the agenda for a public meeting is required to include notice of the time that the public will have physical access to the meeting place. AS PASSED SENATE

**Tracking Lists:** CAO, Clerk and Elections, Communications & Marketing

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## SB1370 - Municipal ordinances and notices; posting

**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other notices of a public character issued by authority of a governing body of any municipality may be posted on the municipality's website in lieu of being published in a newspaper if the municipality is located in a county with a population of 4 million persons or more (Maricopa County). A municipality that posts notices on the website is required to provide a listing of all current notices and ordinances on the website's home page.

**Tracking Lists:** CAO, Clerk and Elections, Community Development, Finance Budget Procurement Audit, Communications & Marketing

# Community Development

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## HB2019 - Licensing; permitting; criteria; clarity

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**Summary:** If a county or municipality requires a license or permit for any constitutionally protected activity or any activity that changes the use, appearance, or design of a structure or land, the county or municipality is required to state in clear and unambiguous language the criteria for granting the license or permit. Counties and municipalities are required to grant or deny an application for such a license or permit within 60 days. Some exceptions. AS PASSED HOUSE

**Comment:** Oppose

**Tracking Lists:** CAO, Community Development, Engineering and Transportation, Community Services

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## HB2044 - Municipal general plan; adoption

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**Summary:** In a municipality with a population of more than 2,500 persons but less than 10,000 persons whose population growth did not exceed an average of 1 percent per year for the ten-year period before the most recent U.S. decennial census and whose current general plan was voter-approved, the municipal governing body is authorized to submit a new general plan to the voters at the next regularly scheduled municipal election or at a special election scheduled at least 180 days after the plan was adopted by the governing body. AS PASSED HOUSE

**Tracking Lists:** Community Development

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## HB2047 - Vacation rentals; short-term rentals; restrictions

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**Summary:** A municipality with a population of less than 17,000 persons is allowed to limit the number of vacation rentals and short-term rentals based on a percentage of total residentially zoned buildings or structures in that municipality, and is allowed to regulate vacation rentals or short-term rentals in the same manner as transient lodging activities.

**Tracking Lists:** Neighborhoods, Community Development

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## HB2048 - Assured water; small residential developments

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**Summary:** A person seeking a building permit for six or more residences within an active management area in an unincorporated area of a county is required to obtain a certificate of assured water supply from the Department of Water Resources before presenting the permit application for approval to the county. Do not apply if the applicant has obtained a written commitment of water service for the residences from a municipal or private water company designated as having an assured water supply.

**Comment:** AMWUA support

**Tracking Lists:** Municipal Utilities - Water, Community Development

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## HB2165 - Adequate water supply; statewide requirements

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**Summary:** Counties and municipalities are authorized to approve a subdivision plat only if the subdivider has obtained a water report from the Arizona Department of Water Resources (ADWR) that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water supply for the subdivision from a city, town or private water company designated as having an adequate water supply. The State Real Estate Commissioner is authorized to issue a public report authorizing the sale or lease of subdivided lands only if the Director of ADWR has issued a water report that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply.

**Tracking Lists:** Municipal Utilities - Water, Community Development

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## HB2166 - DHS; licensure; group homes

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**Summary:** Beginning July 1, 2024, "behavioral-supported group homes" (defined) that are operated in Arizona by a service provider and that are under contract with the Arizona Department of Economic Security are required to be licensed by the Arizona Department of Health Services (ADHS). Establishes a list of behavioral-supported group homes that ADHS is required to adopt, including ensuring that each client's "behavioral treatment plan" (defined) is developed and monitored by a clinical professional with specified qualifications, requiring direct care staff in a behavioral-supported group home to have specified training and experience, and ensuring that each client has an "integrated treatment plan" (defined). AS PASSED HOUSE

**Tracking Lists:** Community Development, Community Health and Human Services

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## HB2258 - Historic preservation tax credit

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**Summary:** For tax years 2024 through 2033, establishes an individual and corporate income tax credit for 20 percent of "qualified rehabilitation expenses" for the "substantial rehabilitation" of a "certified historic structure" (all defined). To qualify for the credit, the taxpayer is required to obtain a final certification from the Arizona State Parks Board. If the allowable credit exceeds taxes due, the amount of the claim not used to offset taxes may be carried forward for up to 10 years.



consecutive tax years. An applicant who does not claim the credit allowed, in whole or in part, may assign, transfer or sell the credits to any person, and the proceeds of the sale or transfer are exempt from income taxes.

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**Tracking Lists:** Community Development

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### **HB2259 - Parking requirements; affordable housing; prohibition**

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from imposing as a condition for approving a building or use permit, any regulation that requires a specific number of parking spaces per residential dwelling unit if the unit is designated "affordable housing" (defined).

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**Tracking Lists:** Community Development, Community Health and Human Services

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### **HB2260 - Wells; permits; spacing rules.**

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**Summary:** The Department of Water Resources (DWR) is required to adopt rules governing the location of new wells and replacement wells in new locations in groundwater basins that DWR determines to be experiencing declining groundwater levels, for wells having a pump with a maximum capacity of more than 35 gallons per minute. In lieu of adopting new rules, DWR is permitted to follow the criteria for proposed withdrawals in active management areas.

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**Comment:** AMWUA support

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**Tracking Lists:** Community Development

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### **HB2272 - Municipality; housing plan; report**

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**Summary:** A municipality with a population of more than 75,000 persons is required to develop a housing plan. Information that must be included in the housing plan is specified. The municipal governing body is required to annually review the housing plan and plan implementation, and post the report of the annual review on the municipality's website.

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**Tracking Lists:** Community Development, Community Health and Human Services

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### **HB2298 - Planned community authority; public roadways**

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**Summary:** If a planned community for which the declaration was recorded before January 1, 2015 regulates any roadway for which the ownership is held by a governmental entity, the existing regulations continue in effect until either the planned community, by June 30, 2025, holds a vote of the membership question of whether to continue to regulate public roadways and a majority of a quorum of the membership of the community votes to continue regulate public roadways, or if the vote fails or the planned community does not hold a vote, the planned community no longer has authority to regulate the public roadways in the planned community and any existing regulations expire. AS PASSED HOUSE

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**Tracking Lists:** Community Development

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### **HB2373 - Permits; automated permitting platform**

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**Summary:** Counties and municipalities are authorized to use a "qualified online automated permitting platform" to verify code compliance for the purpose of issuing permits for the use of certain solar energy devices.

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**Tracking Lists:** Community Development

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### **HB2390 - Local planning; residential housing; repeal**

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**Summary:** Repeals statute that prohibits counties and municipalities from adopting a land use regulation or general or specific plan provision, or imposing as a condition for approving a building or use permit a requirement or fee that has the effect of establishing the sales or lease price for a residential housing unit or residential dwelling lot or parcel or that requires a residential housing unit or residential dwelling lot or parcel to be designated for sale or lease to a particular class or group of residents.

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**Tracking Lists:** Community Development

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### **HB2441 - State tree; residential planning**

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from enforcing any ordinance, code, or regulation, and from imposing as a condition for approving a building or use permit any regulation that prohibits or restricts the use or placement of the state tree (the palo verde) in a residential housing development. Some exceptions. AS PASSED HOUSE

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**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Economic Development

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### **HB2483 - Backyard fowl; regulation; prohibition**

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**Summary:** Counties and municipalities are prohibited from adopting any law, ordinance, or other regulation that prohibits a resident of a single-family detached residence that is one-half acre or less in size from keeping "fowl" (defined as a cock or hen of the domestic chicken) in the backyard of the property. Counties and municipalities are allowed to establish specified regulations on fowl, including restricting the number of fowl and prohibiting a resident from keeping male fowl, including roosters. AS PASSED HOUSE

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**Tracking Lists:** Community Development

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### HB2536 - Administrative review; approvals; developments.

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**Summary:** The legislative body of a municipality is allowed by ordinance to: authorize administrative personnel to review and approve site plans, development preliminary plats or final plats without a public hearing; authorize administrative personnel to review and approve design review plans based on objective standards without a public hearing; adopt a self-certification program allowing registered architects and professional engineers to certify and be responsible for compliance with all applicable ordinances and construction standards for certain projects; allow at-risk submittals for certain on-site preliminary grading or drainage work; and allow applicants with a history of compliance with building codes and regulations to be eligible for expedited permit review.

**Comment:** Support. Permissive, administrative options that offer workable, logical concepts to add to the effectiveness of permitting processes. Partner bill is SB

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**Tracking Lists:** Community Development

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### HB2547 - Zoning ordinances; property rights; costs

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**Summary:** Before adopting any zoning ordinance or zoning ordinance text amendment of general applicability, a municipal legislative body is required to consider housing impact statement regarding the impact of the zoning ordinance. Information that must be included in the impact statement is listed. AS PASSED HOUSE

**Comment:** Appears that striker language is forthcoming, monitor. Earlier: Language does not seem possible. Would add more workload to staff who otherwise are focused on permitting

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**Tracking Lists:** Community Development

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### HB2616 - Subdivisions; leased properties

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**Summary:** Leasehold offerings of one year or less is no longer excluded from the definition of "subdivision" or "subdivided lands" for the purpose of statute regulating the sale of subdivided lands.

**Comment:** AMWUA potential support

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**Tracking Lists:** Community Development

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### HB2659 - Building permits; conditions; qualifications

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**Summary:** The issuance of a county or municipal building permit for constructing, reconstructing, installing, demolishing, maintaining or repairing any commercial building estimated to cost at least \$250,000 or a residential building with at least five units is conditioned on the contractor complying with the a list of qualifications and conditions at all times during the performance of work on the project, including maintaining appropriate workers' compensation insurance, properly classifying employees, complying with minimum wage requirements, and paying contributions to the Unemployment Compensation Fund. If a person fails to comply, the permit is suspended by operation of law and all construction work on the project is required to immediately cease and desist. Issuance of a stop work order issued by the county or municipality. Violations are a class 6 (lowest) felony.

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**Tracking Lists:** Community Development, PD

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### HB2676 - Property conveyance; foreign entities; prohibition

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**Summary:** Beginning from and after the effective date of this legislation, land in Arizona is prohibited from being conveyed to a "foreign entity" (defined) and state lands are prohibited from being made to a foreign entity.

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**Tracking Lists:** Community Development

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### HB2721 - Affordable housing; parking; reduction

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**Summary:** Counties and municipalities are required to adopt a regulation or general or specific plan provision that reduces the minimum parking requirements for "housing development" (defined) that meets a list of requirements, including that the development is located within 500 feet of a major public transit station and that the development is subject to a regulatory agreement with the county or municipality that restricts at least 20 percent of the total number of parking spaces to "lower income households" (defined).

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**Tracking Lists:** Community Development, Community Health and Human Services

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### HB2772 - Middle housing; residential zoning

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**Summary:** Counties and municipalities are required to allow the development of "middle housing" (defined) in all areas zone for residential use. A municipality is authorized to regulate the design of middle housing if the regulations do not prohibit or discourage the development of middle housing.

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**Tracking Lists:** Community Development, Community Health and Human Services

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### HB2773 - Accessory dwelling unit; requirements

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**Summary:** Counties and municipalities are authorized to adopt an ordinance that provides for the development of an "accessory dwelling unit" (defined) in an area zoned to allow single-family or multifamily use. Requirements for the ordinance are specified.

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**Tracking Lists:** Community Development, Community Health and Human Services

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### HB2809 - Public infrastructure improvements; reimbursement

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**Summary:** Deletes the \$100 million aggregate maximum amount on payments to all counties and municipalities to reimburse the cost of public infrastructure improvements for the benefit of a manufacturing facility.

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**Comment:** Local government supported

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**Tracking Lists:** CAO, Community Development, Economic Development

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### HCR2011 - Vacation rentals; short-term rentals

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**Summary:** The 2024 general election ballot is to carry the question of whether to repeal statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and restricting the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals. Statute entitling a property owner to just compensation from the state or a political subdivision that enacts a land use law that reduces the existing right to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

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**Tracking Lists:** Neighborhoods, Community Development

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### SB1012 - Inspections; sober living homes

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**Summary:** Counties and municipalities are authorized to conduct inspections at sober living homes to ensure compliance with county or municipal fire codes and zoning ordinances.

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**Tracking Lists:** Community Development

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### SB1025 - Political signs; tourism zones

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**Summary:** The area of each commercial tourism political sign free zone designated by a municipality is limited to 10 percent of the total area of the municipality, each zone is required to have a "reock score" (calculation specified) of 0.10 or more. Municipalities are allowed to establish one or more areas within zones in which political signs are allowed but are required to include those areas in calculating the area of the zone to determine compliance with the requirements. AS PASSED SENATE

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**Tracking Lists:** CAO, Community Development

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### SB1103 - Administrative review; approvals; developments

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**Summary:** The legislative body of a county or municipality is allowed by ordinance to: authorize administrative personnel to review and approve site plans, development plans, land divisions, preliminary plats, final plats, and plat amendments without a public hearing; authorize administrative personnel to and approve design review plans based on "objective" (defined) standards without a public hearing; adopt a self-certification program allowing registered architects and professional engineers to certify and be responsible for compliance with all applicable ordinances and construction standards for certain projects; allow at-risk submittals for certain on-site preliminary grading or drainage work; and allow applicants with a history of compliance with building codes and regulations to be eligible for expedited permit review. AS PASSED HOUSE

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**Comment:** Support. Permissive, administrative options that offer workable, logical concepts to add to the effectiveness of permitting processes. Amendment anticipated.

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**Tracking Lists:** Community Development, Engineering and Transportation, FMR

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### SB1116 - Political signs; public roadways; prohibition

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**Summary:** A person is prohibited from placing a political sign in or on the right-of-way of a public road.

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**Tracking Lists:** Neighborhoods, CAO, Clerk and Elections, Community Development

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### SB1117 - Housing; infrastructure; regulation; administration (~~Municipal platting; technical correction~~)

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to upend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-eve amendment is language that completely replaces the bill language that was initially introduced.)

**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Service

### SB1131 - Property rights; zoning ordinances; costs (Technical correction; prepaid legal insurance)

**Summary:** Before adopting any zoning ordinance or zoning ordinance text amendment of general applicability, a municipal legislative body is required to consider housing impact statement regarding the impact of the zoning ordinance. Information that must be included in the impact statement is listed. AS PASSED SENATE

**Comment:** Anticipated to be a striker, language unknown currently, continue to monitor. Earlier: Language does not seem possible. Would add more workload to those who otherwise could be focused on permitting

**Tracking Lists:** Community Development

### SB1162 - Home-based businesses; restrictions; prohibition

**Summary:** A home-based business must be allowed as a use by right if the home-based business does not supersede any deed restriction, covenant or agreement restricting the use of land, a master deed or any other document applicable to a common interest ownership community. Counties and municipalities prohibit a "no-impact home-based business" (defined) or require a person to apply for, register, or obtain a permit, license, variance or other type of municipal approval to operate a no-impact home-based business. Counties and municipalities are authorized to establish reasonable regulations on home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety and ensuring that the business activity is compatible with residential use of the property. AS PASSED SENATE

**Comment:** Oppose. Preemption bill on local decision-making affecting neighborhoods.

**Tracking Lists:** Neighborhoods, CAO, Community Development, PD, FMR

### SB1195 - Licensing; marijuana establishments

**Summary:** Beginning on the effective date of this legislation, the Arizona Department of Health Services (ADHS) is required to allow "Arizona small businesses" (defined) that have been awarded a marijuana establishment license but not a nonprofit medical marijuana dispensary registration certificate to apply and receive a nonprofit medical marijuana dispensary registration certificate and become a dual licensee. ADHS is required to issue a nonprofit medical marijuana dispensary registration certificate to each qualified Arizona small business applicant on submittal of a complete application and the application fee. Contains legislative findings. Due to voter protection, this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage. Emergency clause.

**Tracking Lists:** Community Development

### SB1196 - Marijuana establishments; dual licensing

**Summary:** A licensee is allowed to apply for a nonprofit medical marijuana dispensary registration certificate or a marijuana establishment license. The Arizona Department of Health Services is required to issue a nonprofit medical marijuana dispensary registration certificate or a marijuana establishment license to each qualified applicant on submittal of a complete application and the application fee. Due to voter protection, this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage. Emergency clause.

**Tracking Lists:** Community Development

### SB1214 - Sober living homes; fee reduction

**Summary:** Beginning January 1, 2024, the Arizona Department of Health Services is required to decrease the initial licensing and license renewal fees and the resident charge for sober living homes by 50 percent.

**Comment:** Potential concern if the decrease in fee revenue for the Dept of Health Services results in fewer inspections for group homes/sober-living homes.

**Tracking Lists:** Community Development, FMR

### SB1219 - Municipal real property; sale; valuation

**Summary:** The circumstances under which real property of a municipality cannot be sold without authorization from the voters is changed to apply to real property of a municipality that has a total assessed value for the current year net assessed value subject to taxation in prior year, the value of which exceeds 2.5 percent of the locally assessed real property value of a municipality, instead of the value of which exceeds \$1.5 million.

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**Tracking Lists:** Community Development, Finance Budget Procurement Audit, Economic Development

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### **SB1313 - General plan; transportation; independent study**

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**Summary:** Municipal general plans are prohibited from including transportation or land use policies or projects that reduce overall system capacity of motor vehicle traffic. If a general plan includes a reduction in the level of service of any arterial street, the municipality is required to conduct an independent study impact on emergency vehicle response times. Municipal general plans for municipalities with a population of 50,000 persons or more are no longer required to include a bicycling element consisting of proposed bicycle facilities. AS PASSED SENATE

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**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Engineering and Transportation

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### **SB1336 - Municipal boards; members; training**

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**Summary:** Beginning January 1, 2024, any member of a municipal planning commission, zoning commission, combined planning and zoning commission, village planning committee, design review committee, and zoning board of adjustment and appeals is required to complete at least four hours of training. Members serving before January 1, 2024 are required to complete the required training by January 1, 2025 and to complete an additional four hours of training every other year after. Members appointed on or after January 1, 2024 are required to complete the required training by one year after the member's appointment and to complete an additional four hours of training every other year after. By January 1, 2024, the Arizona Department of Housing is required to establish guidelines for the training, which must include a specified list of information. Any member who does not complete the training must be removed from member's appointment.

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**Tracking Lists:** Neighborhoods, CAO, Community Development, Community Health and Human Services

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### **SB1370 - Municipal ordinances and notices; posting**

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other notices of a public character issued by authority of a governing body of any municipality may be posted on the municipality's website in lieu of being published in a newspaper if the municipality is located in a county with a population of 4 million persons or more (Maricopa County). A municipality that posts notices on the website is required to provide a link listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections, Community Development, Finance Budget Procurement Audit, Communications & Marketing

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### **SB1432 - Assured water; small residential developments..**

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**Summary:** A person seeking a building permit for six or more residences within an active management area in an unincorporated area of a county is required to obtain a certificate of assured water supply from the Arizona Department of Water Resources before presenting the permit application for approval to the county. Does not apply if the applicant has obtained a written commitment of water service for the residences from a municipal or private water company designated as having an assured water supply.

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**Tracking Lists:** Municipal Utilities - Water, Community Development

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# Community Services

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## HB2019 - Licensing; permitting; criteria; clarity

**Summary:** If a county or municipality requires a license or permit for any constitutionally protected activity or any activity that changes the use, appearance, or design of a structure or land, the county or municipality is required to state in clear and unambiguous language the criteria for granting the license or permit. Counties and municipalities are required to grant or deny an application for such a license or permit within 60 days. Some exceptions. AS PASSED HOUSE

**Comment:** Oppose

**Tracking Lists:** CAO, Community Development, Engineering and Transportation, Community Services

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## HB2076 - Tribal land acknowledgment

**Summary:** Each public school, public university, community college, state or local park or library, or other state or local government building in Arizona, in consultation with Native American Tribes, is required to display a Native American tribal "land acknowledgment" (defined) plaque in a clearly visible location in a public area of the building that is readily accessible to the public.

**Tracking Lists:** Community Services, Diversity, Equity & Inclusion

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## HB2505 - Outdoor recreation coordinating commission; continuation

**Summary:** The statutory life of the Arizona Outdoor Recreation Coordinating Commission is extended eight years to July 1, 2031. Retroactive to July 1, 2023. AS PASSED HOUSE

**Tracking Lists:** Community Services

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## HB2619 - Watercraft; boating; regulations

**Summary:** Every motorized watercraft is required to be equipped with a functioning sound-producing device capable of producing a sound audible for one-half mile, not including the human voice alone. A person operating a "power-driven watercraft" (defined) is required to use an engine cutoff switch link when operating the power-driven watercraft at or above displacement speed. Some exceptions. Deletes the requirement for person who operates a personal watercraft that is equipped by the manufacturer with a lanyard type engine cutoff switch to attach the lanyard to his body, clothing or personal flotation device.

**Tracking Lists:** PD, Community Services

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## HB2806 - State parks heritage fund; appropriation

**Summary:** Appropriates \$10 million from the general fund in FY2023-24 to the Arizona State Parks Heritage Fund, and prohibits these monies from being used to acquire property. AS PASSED HOUSE

**Tracking Lists:** Community Services

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## SB1010 - Personal flotation devices; rowing; exception

**Summary:** The requirement for a child who is 12 years of age or under to wear a personal flotation device while on board a watercraft does not apply to "rowing" (defined) that are being used for practice, training, or rowing competitions if a list of specified conditions are met, including supervision by a certified instructor.

**Tracking Lists:** Community Services

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## SB1028 - Adult cabaret performances; prohibited locations

**Summary:** It is a class 1 (highest) misdemeanor to engage in an "adult cabaret performance" (defined) on public property or in a location where the performance can be viewed by a minor. A second or subsequent violation is a class 6 (lowest) felony.

**Tracking Lists:** PD, Community Services

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## SB1224 - State parks; lottery; heritage fund

**Summary:** Of the monies remaining in the State Lottery Fund each fiscal year after a list of statutory appropriations and deposits, \$10 million must be deposited to the Arizona State Parks Heritage Fund. AS PASSED SENATE

**Comment:** City support

**Tracking Lists:** Community Services

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### SB1251 - Working animals; restrictions; prohibition

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**Summary:** Counties and municipalities cannot enact ordinances or policies that prohibit or unduly restrict a person from using a "working animal" (defined as an animal used primarily to perform a specific duty or function in commerce or for an animal enterprise) in lawful commerce or for an animal enterprise. Some exceptions. AS PASSED SENATE

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**Tracking Lists:** CAO, Community Services

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### SB1427 - Carrying of firearms; exceptions

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**Summary:** Various changes to statutes relating to firearms. A person cannot be prohibited from possessing a firearm except in a jail, correctional facility, or juvenile detention facility; by order of a judge or justice or other court order; in a secured police facility; in a location prohibited by federal law; or pursuant to a state or federal law that makes the person a prohibited possessor. It is no longer unlawful for any person to possess a firearm while on the licensed premises of an on-sale liquor retailer, or for any person in possession of a firearm while on the licensed premises of an on-sale liquor retailer to consume spirituous liquor. Repeals statute allowing liquor licensees to post a sign prohibiting the possession of weapons on the licensed premises. A person with a concealed weapons permit is no longer required to carry the permit at all times when the person is in actual possession of the concealed weapon and is no longer required to present the concealed weapons permit to any law enforcement officer on request.

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**Tracking Lists:** CAO, PD, Community Services

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### SB1428 - Political subdivisions; gun shows; preemption

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**Summary:** Political subdivisions cannot prohibit a gun show from occurring in the political subdivision or enact or enforce any ordinance, rule or policy that primarily affects gun shows and effectively prohibits a gun show from occurring in the political subdivision.

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**Tracking Lists:** CAO, PD, Community Services

# Courts

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## HB2195 - Criminal justice data collection; system

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**Summary:** The Arizona Criminal Justice Commission is required to implement the state, county and municipal open data system. The Commission is required to publish the data system Commission's website in an electronic format that is accessible to the public. Beginning on January 1, 2024, and unless prohibited by any other law, criminal justice agencies in Arizona are required to submit specified data into the system. The Commission is required to establish to protect confidential information. Appropriates \$4.7 million in FY2023-24, \$4.8 million in FY2024-25, and \$4.8 million in FY2025-26 from the general fund to the Commission to implement the data system.

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**Tracking Lists:** Courts

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## SB1008 - Court fees; costs; deferral; waiver

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**Summary:** The court is required to grant an application for deferral of court fees and costs if an applicant establishes that the applicant has a gross monthly income that is 225 percent or less of the current federal poverty level, increased from 150 percent or less, or if an applicant establishes that the applicant is receiving benefits from the Arizona Health Care Cost Containment System (in addition to other programs previously listed). The court is authorized to waive court fees and costs entirely or in part.

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**Tracking Lists:** Courts, Finance Budget Procurement Audit

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## SB1036 - Setting aside conviction; certificate eligibility

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**Summary:** For the purpose of setting aside judgment of a convicted person, a person is not eligible for a certificate of second chance if the person has previously received a certificate of second chance on the set aside of a "felony conviction" (defined).

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**Tracking Lists:** Courts



# Diversity Equity Inclusion

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## HB2076 - Tribal land acknowledgment

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**Summary:** Each public school, public university, community college, state or local park or library, or other state or local government building in Arizona, in consultation with Native American Tribes, is required to display a Native American tribal "land acknowledgment" (defined) plaque in a clearly visible location in a public area of the building that is readily accessible to the public.

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**Tracking Lists:** Community Services, Diversity, Equity & Inclusion

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## HB2360 - Arizona community impact statement

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**Summary:** On the written request of a member of the Legislature, the Executive Director of the Legislative Council is required to prepare an Arizona community impact statement that analyzes how distinct demographic groups would likely be affected by bills or other measures introduced in the current regular or special session of the Legislature. Information that must be included in the impact statement is specified.

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**Tracking Lists:** Diversity, Equity & Inclusion

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## HB2392 - Statewide ADA coordinator; appropriation

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**Summary:** The Governor's Office of Equal Opportunity is required to hire a full-time statewide Americans with disabilities coordinator to implement an annual plan to carry out the requirements of the Americans with Disabilities Act in Arizona. Appropriates \$100,000 and 1 FTE position from the general fund in FY2021 to the Office for the coordinator.

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**Tracking Lists:** Diversity, Equity & Inclusion

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## HCR2021 - Ratification; equal rights amendment.

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**Summary:** Ratifies the Equal Rights Amendment to the U.S. Constitution. The Secretary of State is directed to transmit copies of this resolution to the President of the U.S. Senate and the Speaker of the U.S. House of Representatives.

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**Tracking Lists:** Diversity, Equity & Inclusion

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## SB1138 - Business; discrimination prohibition; social criteria (~~Banks; discrimination prohibition; social criteria~~)

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**Summary:** A financial institution, insurer, or credit reporting agency doing business in Arizona, either directly or through a contractor, is prohibited from discriminating against any person based on a political affiliation or other social credit, environmental, social, governance or similar values-based or impact criteria. / PASSED SENATE

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**Tracking Lists:** Diversity, Equity & Inclusion

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## SB1694 - Public monies; ideology training; prohibition

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**Summary:** "Public entities" (defined) are prohibited from requiring an employee to engage in a "diversity, equity, and inclusion program" (defined), spending public monies on a diversity, equity, and inclusion program, and advancing or adopting any policy or procedure designed to influence the composition of its workforce on the basis of race, sex, or color. An employee of a public entity who is required to participate in a diversity, equity, and inclusion program authorized to bring an action against the public entity.

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**Tracking Lists:** HR, Diversity, Equity & Inclusion

# Economic Development

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## HB2040 - Industrial development bonds; preapproval; repeal

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**Summary:** Corporations are no longer required to obtain approval from the Arizona Department of Housing in order to issue bonds to finance a multifamily residential rental project, clinic, rest home, nursing home, skilled nursing facility, or life care facility.

**Tracking Lists:** Economic Development, Community Health and Human Services

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## HB2441 - State tree; residential planning

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from enforcing any ordinance, code, or regulation, and from imposing as a condition for approving a building or use permit any regulation that prohibits or restricts the use or placement of the state tree (the palo verde) in a residential housing development. Some exceptions. AS PASSED HOUSE

**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Economic Development

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## HB2630 - Tobacco; alternative nicotine; vapor products

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**Summary:** Retail tobacco vendors are prohibited from selling "alternative nicotine products," "tobacco products," or "vapor products" (all defined) to persons under 21 years of age. If a person reasonably appears to be under 30 years of age, a retail tobacco vendor is prohibited from not selling tobacco products, alternative nicotine products or vapor products to the person without first examining the person's government-issued photo identification to establish that the person is at least 21 years of age. Every retailer that sells or offers to sell tobacco products, alternative nicotine products or vapor products to consumers in Arizona is required to register each retail location with the Arizona Department of Revenue (ADOR) on a form and in a manner prescribed by ADOR. The registration shall be accompanied by an annual fee in an amount to be determined by the ADOR Director. Beginning January 1, 2024, a retailer is prohibited from selling tobacco products, alternative nicotine products or vapor products in Arizona unless the retailer has registered with ADOR, has paid all applicable fees, and is in compliance with all rules adopted by ADOR. Establishes penalties for violations. Severability clause. Effective January 1, 2024.

**Comment:** Failed in committee

**Tracking Lists:** CAO, PD, Economic Development

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## HB2809 - Public infrastructure improvements; reimbursement

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**Summary:** Deletes the \$100 million aggregate maximum amount on payments to all counties and municipalities to reimburse the cost of public infrastructure improvements for the benefit of a manufacturing facility.

**Comment:** Local government supported

**Tracking Lists:** CAO, Community Development, Economic Development

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## SB1122 - Transportation tax; election; Maricopa county

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**Summary:** If approved by the voters at a countywide election, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to 1 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 15 years. Specifies the distribution of net revenue from the tax levy, with 80 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, and 20 percent of revenues distributed to the Regional Area Road Fund for major arterial streets. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation excise tax.

**Comment:** Oppose. Does not reflect the regional transportation plan that was unanimously approved by the elected representatives of the entities in Maricopa County.

**Tracking Lists:** Neighborhoods, CAO, Engineering and Transportation, Economic Development

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## SB1215 - Call center relocation; notice; penalty.

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**Summary:** Employers intending to relocate a "call center" (defined) from Arizona to another state or a foreign country are required to notify the Arizona Department of Economic Security (ADES) at least 120 days before the relocation. Violations are subject to a civil penalty of up to \$10,000 for each day. ADES is required to compile a semiannual list of all employers that relocate a call center to another state or a foreign country. These employers are not eligible for direct or indirect state grants or state guaranteed loans for five years, with some exceptions. Effective November 1, 2023.

**Tracking Lists:** Economic Development

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## SB1219 - Municipal real property; sale; valuation

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**Summary:** The circumstances under which real property of a municipality cannot be sold without authorization from the voters is changed to apply to real property of a municipality that has a total assessed value for the current year net assessed value subject to taxation in prior year, the value of which exceeds 2.5 percent of the locally assessed real property value of a municipality, instead of the value of which exceeds \$1.5 million.

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**Tracking Lists:** Community Development, Finance Budget Procurement Audit, Economic Development

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**SB1290 - Inmates; documentation; workforce reentry.**

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**Summary:** The Arizona Department of Corrections (ADC) is required to provide an inmate who is discharged from imprisonment for a felony offense and who in to reside in Arizona with relevant documentation to assist the inmate in obtaining postrelease employment, including coordinating with the Arizona Department of Transportation (ADOT) to provide the inmate with a nonoperating identification license or replace the inmate's driver license or nonop identification license, if applicable. ADOT is required to allow copies of birth certificates along with ADC record cards to serve as valid forms of photo identification to obtain a license. ADC is required to provide an inmate with a list of documentation, including a copy of the inmate's work record and resume that includes any trade learned by the inmate. Effective January 1, 2024. AS PASSED SENATE

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**Tracking Lists:** Economic Development, Community Health and Human Services

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**SB1434 - Businesses; masks; biohazard waste disposal**

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**Summary:** Any business in Arizona that requires patrons of the business to wear a mask when on the business's premises is required to provide at each exit of business a biohazard waste disposal receptacle for patrons to dispose of their masks.

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**Tracking Lists:** Economic Development

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**SB1561 - Appropriation; infrastructure grant program**

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**Summary:** Appropriates \$30 million from the general fund in FY2023-24 to the Arizona Commerce Authority (ACA) to administer an Arizona Infrastructure Grant Program. The ACA is required to award grants to nonprofit organizations that meet specified requirements. Grant monies must be used for investment authorized by specified federal law relating to the production of qualified clean hydrogen, including projects in partnership with, and that leverage investment from, the private sector, projects that assist low-income communities to deploy or to benefit from zero emission technologies, or investments in partnership with counties, municipalities and special districts within water management areas.

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**Tracking Lists:** Economic Development

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**SB1563 - Workforce; study committee; report**

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**Summary:** Establishes a 14-member Joint Legislative New American Talent Study Committee to review best practices to maximize economic integration of new Americans into the workforce, evaluate state requirements and policies that pose unnecessary barriers to new American workforce participation, and identify solutions that improve access to new American talent in Arizona. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 31, 2023, and self-repeals October 1, 2024. AS PASSED SENATE

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**Tracking Lists:** Economic Development

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**SB1586 - International trade; authority; transportation**

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**Summary:** Establishes the International Transportation and Trade Corridor Authority as a corporate and political body with all the rights, powers, and immunities municipal corporations. The Authority is governed by a 9-member Board of Directors. Powers and duties of the Board are established. An Executive Director is responsible for managing the activities of the Authority, and Executive Director duties are listed. The Authority is required to construct, finance, maintain, improve, operate, and promote the use of transportation and trade facilities and do all things necessary or convenient to accomplish those purposes. Authority is required to establish disadvantaged business enterprise participation goals for the design, engineering, and construction of a transportation trade facility. Establishes budgeting and reporting requirements, Authority accounts, and audit requirements. The Authority is allowed to issue negotiable bonds in a principal amount as necessary to provide sufficient monies for a transportation and trade facility purpose and pay necessary bond-related expenses. Establishes provisions for bond issuance, purchase, and payment. More. Appropriates \$200,000 from the general fund in FY2023-24 to the Authority for the purposes of this legislation.

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**Tracking Lists:** Economic Development

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**SB1712 - Revitalization districts; counties**

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**Summary:** The governing body of one or more counties are authorized to form a revitalization district, and statutes regulating revitalization districts are expanded to include counties.

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**Tracking Lists:** Economic Development

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# Education Career Family Services

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## HB2601 - Teen mental health; grant program

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**Summary:** Establishes the Teen Mental Health Grant Program in the Arizona Department of Health Services to provide funding to school districts or nonprofit organizations for mental health first aid training, youth resiliency training, substance misuse awareness training, or peer-to-peer education for youth, and parents; support school districts to develop or obtain an application for students to report safety issues and receive clinical support that is anonymous and available to students 7 days per week, 24 hours per day; provide supplemental funding to school districts in rural areas of Arizona to retain a primary prevention specialist; provide funding for children's mental health service providers; and support digital wellness marketing campaigns.

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**Tracking Lists:** Education, Career and Family Services

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## HB2804 - Appropriation; grants; family support services

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**Summary:** Appropriates \$5 million from the general fund in FY2023-24 to the Arizona Department of Education to administer a family support services grant program.

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**Tracking Lists:** Community Health and Human Services, Education, Career and Family Services

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## SB1209 - Education and career exploration program

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**Summary:** The State Board of Education must require public schools to complete an Arizona education and career action plan for each student in grades 9 through 12 before the student's graduation, and to review and update each Arizona education and career action plan at least once per year. The Arizona Department of Education (ADE) is required to establish and administer an Early Education and Career Exploration Program to assist public schools in fulfilling these requirements. Subject to available monies, ADE is required to contract with a nonprofit entity to provide a career mapping tool that meets specified requirements, including matching students with work-based learning opportunities, and to provide training and resources for individuals who are implementing the Arizona education and career action plan requirements. By December 31, 2023 and each year after, ADE is required to submit an annual report to the Governor and the Legislature on the Program and the newly established Early Education and Career Exploration Program Fund. Appropriates \$25 million from the general fund in FY2023-24 to the Fund.

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**Tracking Lists:** Education, Career and Family Services

# Engineering and Transportation

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## HB2013 - Transportation tax; deposit; regional fund

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**Summary:** Interest earned on net revenues collected from a county transportation excise tax that are not distributed or refunded pursuant to existing statute, including interest earned on those revenues, are required to be deposited in the same funds that the net revenues are required to be deposited in.

**Tracking Lists:** Finance Budget Procurement Audit, Engineering and Transportation

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## HB2019 - Licensing; permitting; criteria; clarity

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**Summary:** If a county or municipality requires a license or permit for any constitutionally protected activity or any activity that changes the use, appearance, or design of a structure or land, the county or municipality is required to state in clear and unambiguous language the criteria for granting the license or permit. Counties and municipalities are required to grant or deny an application for such a license or permit within 60 days. Some exceptions. AS PASSED HOUSE

**Comment:** Oppose

**Tracking Lists:** CAO, Community Development, Engineering and Transportation, Community Services

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## HB2031 - Technical correction; disabled parking; reciprocity

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**Summary:** Minor change in Title 28 (Transportation) related to disabled parking. Apparent striker bus.

**Comment:** Dead. Striker to this bill has Proposition 400 Extension language. The allocations amongst freeways, arterials, programs, and transit do not reflect the unanimously agreed to regional transportation plan. There may be opportunity for further amendments.

**Tracking Lists:** Sustainability & Resilience, Finance Budget Procurement Audit, Engineering and Transportation

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## HB2097 - Appropriation; State Route 89; roundabout

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**Summary:** Appropriates \$18.4 million from the general fund in FY2023-24 to the Arizona Department of Transportation for improvements to State Route 89.

**Tracking Lists:** Engineering and Transportation

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## HB2098 - Appropriation; Clarkdale bridge

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**Summary:** Appropriates \$6.3 million from the general fund in FY2023-24 to the Arizona Department of Transportation (ADOT) to distribute to the Town of Clarkdale to replace the bridge over Bitter Creek Wash. If the Town of Clarkdale receives federal monies for the project, the Town is required to revert to ADOT an amount equal to the federal monies received, up to the amount of this appropriation. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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## HB2107 - Appropriation; SR 303; Route 60

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**Summary:** Appropriates \$3 million from the general fund in FY2023-24 to the Arizona Department of Transportation for improvements to the interchange at State Route 303 and U.S. Route 60.

**Tracking Lists:** Engineering and Transportation

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## HB2216 - Hazardous air pollutants program

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**Summary:** The Director of the Arizona Department of Environmental Quality is allowed, instead of required, to establish by rule a state program for the control of hazardous air pollutants.

**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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## HB2241 - Electric vehicles; charging; pilot program

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**Summary:** Counties and municipalities are prohibited from issuing a residential structure building permit for a single-family structure if the structure does not have a specified electrical circuit with a dedicated outlet to charge an electric vehicle in the garage or within 10 feet of a parking space on the outside of the structure. Some exceptions. The Arizona Department of Administration (ADOA) is required to conduct a two-year electric vehicle-ready homes pilot program. ADOA is required to reimburse the owner of a single-family or multifamily residential structure for the cost of installing a high voltage electrical outlet for the purpose of charging an electric vehicle, up to \$1,000, until the monies are exhausted. By December 31, 2025, ADOA is required to submit a report to the Governor and the Legislature with specified information relating to the pilot program. The pilot program self-repeals October 1, 2026.

**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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**HB2285 - Appropriation; Interstate 10; Jackrabbit Trail (Appropriation; Jackrabbit Trail improvement)**

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**Summary:** Makes a supplemental appropriation of \$5 million from the general fund in FY2022-23 to the Arizona Department of Transportation (ADOT) to design freeway interchange on Interstate 10 at Jackrabbit Trail. Appropriates \$30 million from the general fund in FY2023-24 and \$35 million from the general fund in FY2024-25 to ADOT to construct a freeway interchange on Interstate 10 at Jackrabbit Trail. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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**HB2288 - Roundabouts; right-of-way; large vehicles**

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**Summary:** The operator of a vehicle or combination of vehicles with a total length of at least 40 feet or a total width of at least 10 feet may deviate from the lane which the operator is driving to the extent necessary to approach and drive through a roundabout. Other vehicles are required to yield the right of way to these vehicles driving through a roundabout. The Arizona Department of Transportation (ADOT) or local jurisdiction is required to post at least one of a yield sign before a roundabout entrance or a regulatory sign designed by ADOT that conveys that large trucks have the right-of-way of that vehicle; large trucks should yield to large trucks in a roundabout. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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**HB2356 - Railroads; annual safety inspections.**

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**Summary:** The Arizona Corporation Commission (ACC) is required to conduct annual safety inspections of all railroads and railroad tracks in Arizona. Appropriates \$196,000 and two FTE positions from the general fund in FY2023-24 to the ACC for railroad safety inspectors.

**Tracking Lists:** Engineering and Transportation

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**HB2437 - Transmission lines; applications; exceptions**

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**Summary:** Statute requiring a utility to apply for and receive a certificate of environmental compatibility from the Arizona Corporation Commission Power Plant and Transmission Line Siting Committee before constructing a power plant or transmission line in Arizona does not apply if the transmission line and its associated right-of-way is to be located on land that is entirely owned in fee simple by one or more owners of the transmission line.

**Tracking Lists:** Engineering and Transportation

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**HB2496 - Transmission lines; definition**

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**Summary:** For the purpose of the requiring approval from the Power Plant and Transmission Line Siting Committee, "transmission line" means five or more new structures that span more than one mile in length and that are erected above ground and support one or more conductors designed for the transmission of electric energy, and excludes structures located on the substation, switchyard, or generating site to which the line connects. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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**HB2543 - Appropriations; greater Arizona transportation projects**

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**Summary:** Appropriates a total of \$331.07 million from the general fund in FY2023-24 to the Arizona Department of Transportation for 93 specified highway and projects designated as regional priorities by the Greater Arizona Councils of Government and Metropolitan Planning Organizations. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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**HB2586 - ADOT dynamic message signs**

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**Summary:** The Arizona Department of Transportation (ADOT) is authorized to display only messages that are directly related to transportation or highway public safety on ADOT's dynamic message signs, except that ADOT may display amber alerts, silver alerts, blue alerts, and reminders to vote. AS PASSED HOUSE

**Tracking Lists:** Engineering and Transportation

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**HB2752 - Appropriation: State Route 85**

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**Summary:** Appropriates \$6.5 million from the general fund in FY2023-24 to the Arizona Department of Transportation to design and engineer improvements on State Route 85 between mile post 123 and Maricopa Road.

**Tracking Lists:** Engineering and Transportation

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**SB1035 - Sidewalks; scooters; bicycles; fifteen mph**

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**Summary:** A person is prohibited from operating an electric bicycle, electric miniature scooter, electric standup scooter, or a device moved by human power on a sidewalk at a speed exceeding 15 miles per hour.

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**Tracking Lists:** PD, Engineering and Transportation

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### **SB1051 - Census adjustment; population threshold**

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**Summary:** Adjusts the population threshold for the following statutes so that they apply to counties with a population of less than 500,000 persons, instead of less than 400,000 persons: rural planning areas, transportation excise tax distribution, and Arizona Long-Term Care System (ALTCS) qualified plan health service contracts. AS PASSED SENATE

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**Tracking Lists:** Engineering and Transportation

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### **SB1065 - Appropriation; widening; I-10**

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**Summary:** Appropriates \$360 million from the general fund in FY2023-24 to the Arizona Department of Transportation (ADOT) to widen Interstate 10 between Chandler and Casa Grande. ADOT is required to use the monies for construction-related activities, including drawing down federal matching monies project. ADOT is prohibited from accepting federal monies if the acceptance is conditioned on the design and construction of a bicycle path or pedestrian walkway as a component of the project. AS PASSED SENATE

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**Tracking Lists:** Engineering and Transportation

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### **SB1097 - Truck routes; designation**

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**Summary:** For ordinances or resolutions enacted on and after January 1, 2020, the Arizona Department of Transportation (ADOT) or a local authority may only prohibit a "vehicle of legal size" (defined) from operating on a highway that is a "major arterial street" (defined) and that connects two or more local jurisdictions if ADOT or the local authority conducts a test drive or applies a vehicle template on the highway that shows that a vehicle of a legal size does not safely operate on the highway. A highway that does not have a "truck restriction" (defined) before being annexed by a local authority cannot be incorporated into an existing truck restriction that is passed on or after January 1, 2020 unless the highway meets the criteria in this legislation. A local authority that passed an ordinance on or after January 1, 2020 that is inconsistent with these provisions is required to repeal or amend the ordinance to comply with this act within 90 days after the effective date or the ordinance is invalid. AS PASSED SENATE

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**Comment:** City opposition, would undermine truck route investments that cities have made

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**Tracking Lists:** Engineering and Transportation

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### **SB1103 - Administrative review; approvals; developments**

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**Summary:** The legislative body of a county or municipality is allowed by ordinance to: authorize administrative personnel to review and approve site plans, development plans, land divisions, preliminary plats, final plats, and plat amendments without a public hearing; authorize administrative personnel to review and approve design review plans based on "objective" (defined) standards without a public hearing; adopt a self-certification program allowing registered architects and professional engineers to certify and be responsible for compliance with all applicable ordinances and construction standards for certain projects; allow at-risk submittals for certain on-site preliminary grading or drainage work; and allow applicants with a history of compliance with building codes and regulations to be eligible for expedited permit review. AS PASSED HOUSE

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**Comment:** Support. Permissive, administrative options that offer workable, logical concepts to add to the effectiveness of permitting processes. Amendment anticipated.

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**Tracking Lists:** Community Development, Engineering and Transportation, FMR

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### **SB1117 - Housing; infrastructure; regulation; administration (Municipal platting; technical correction)**

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

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**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to amend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-eve amendment is language that completely replaces the bill language that was initially introduced.)

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**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Services

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### **SB1122 - Transportation tax; election; Maricopa county**

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**Summary:** If approved by the voters at a countywide election, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to 1 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 15 years. Specifies the distribution of net revenues from the tax levy, with 80 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, and 20 percent of revenues distributed to the Regional Area Road Fund for major arterial streets. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation excise tax.

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**Comment:** Oppose. Does not reflect the regional transportation plan that was unanimously approved by the elected representatives of the entities in Maricopa County

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**Tracking Lists:** Neighborhoods, CAO, Engineering and Transportation, Economic Development

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### **SB1137 - Maricopa county; division; new counties**

**Summary:** Divides Maricopa County into four counties by modifying the Maricopa County boundaries and adding three new counties: Hohokam County, Mogollon County, and O'odham County. Maricopa County operations will continue in their existing form through a transition period of up to three years after the effective date of this legislation. The boards of supervisors of Hohokam, Mogollon, and O'odham Counties will be elected at a special election held within 120 days after the effective date of this legislation. Currently elected Maricopa County Supervisors continue in their capacity for the remainder of the term in whichever county their supervisory district is located. The elected boards of supervisors in the three new counties will determine an application process for municipalities to apply to be the county seat, which will be determined at a special election to be held within 120 days from the election of the board of supervisors. The four counties are authorized to enter into a ten-year shared use agreement for the use of existing shared capital assets. The four counties are required to enter into an intergovernmental agreement for the continued operation of community colleges for at least ten years after the effective date of this legislation. Effective January 1, 2024.

**Comment:** Oppose

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**Tracking Lists:** CAO, Clerk and Elections, Finance Budget Procurement Audit, Engineering and Transportation

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### **SB1312 - Vehicle mileage; tracking; tax; prohibitions**

**Summary:** This state, counties, municipalities, and political subdivisions are prohibited from establishing vehicle miles of travel reduction goals or targets in developing any transportation or land use planning or selecting transportation or transit projects. This state, counties, municipalities, and political subdivisions are prohibited from tracking or maintaining a record of a person's vehicle miles of travel. This state, counties, municipalities, and political subdivisions are prohibited from imposing or collecting any mileage fee or tax, a per-mile charge, fee or tax or any tax or fee based on vehicle miles traveled by an individual in a motor vehicle.

**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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### **SB1313 - General plan; transportation; independent study**

**Summary:** Municipal general plans are prohibited from including transportation or land use policies or projects that reduce overall system capacity of motor vehicle traffic. If a general plan includes a reduction in the level of service of any arterial street, the municipality is required to conduct an independent study to determine the impact on emergency vehicle response times. Municipal general plans for municipalities with a population of 50,000 persons or more are no longer required to include a bicycling element consisting of proposed bicycle facilities. AS PASSED SENATE

**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Engineering and Transportation

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### **SB1314 - Transportation system performance; ADOT**

**Summary:** The list of variables that the Arizona Department of Transportation (ADOT) Transportation Planning Division is required to include in the standard transportation system performance factors that the Division presents to the State Board of Transportation is expanded to include congestion reduction, safety improvements, and mobility. The Division is required to develop methods to measure each performance factor quantitatively. The Division is prohibited from adopting a motor vehicle travel mile reduction target or any other demand management policy or project.

**Tracking Lists:** Engineering and Transportation

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### **SB1501 - Electric vehicle charging stations**

**Summary:** Charges, rates, tolls and rental fees that are received by a public service corporation or electricity supplier, including an electric cooperative, for any commodity or service are prohibited from being used to build or operate an electric vehicle charging station or a commercial charging facility, but may be used for "make-ready infrastructure" (defined as the electrical infrastructure that is required to service an electric vehicle charging station's electrical service on the electricity supplier's or customer's side of the electric meter). An affiliate of an electricity supplier that provides, owns, operates or maintains electric vehicle charging stations is required to do so on the same rates, terms and conditions that are offered to private providers of electric vehicle charging stations in the electricity supplier's service territory. Contains legislative findings.

**Tracking Lists:** Engineering and Transportation

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### **SB1505 - Election; Maricopa transportation excise tax**

**Summary:** If approved by the voters at a countywide election, beginning January 1, 2026, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to ten percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 25 years. Specify the distribution of net revenues from the tax levy, with 37.4 percent of revenues distributed to the Regional Area Road Fund for freeways and other roads on the state highway system, 22.2 percent of revenues distributed to the Regional Area Road Fund for major arterial streets, and 40.4 percent to the Public Transportation Fund for capital costs and utility relocation costs associated with light rail and other public transportation. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation tax. Much more. Severability clause.

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**Tracking Lists:** Finance Budget Procurement Audit, Engineering and Transportation

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**SB1658 - Critical infrastructure; prohibited agreements**

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**Summary:** A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) with a company if the company would be able to access or control critical infrastructure in Arizona, except for access that is specifically allowed for product warranty and support purposes, and if the company is owned by or controlled by citizens of China, Iran, North Korea or Russia, or by a company or other entity that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea or Russia, or that is headquartered in China, Iran, North Korea or Russia. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona.

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**Tracking Lists:** Municipal Utilities - Water, Finance Budget Procurement Audit, Engineering and Transportation

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**SB1693 - Government vehicles; electric; appropriation**

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**Summary:** In considering the purchase of new motor vehicles, state agencies and political subdivisions are required to consider electric vehicles and the long-term maintenance and fuel costs in evaluating total costs over the life of the motor vehicle. A political subdivision is authorized to apply to the Arizona Department of Administration (ADOA) for reimbursement for the difference between the amount that the political subdivision spent on electric vehicles and the amount that the political subdivision would have spent on fossil fuel vehicles, and ADOA is required to reimburse political subdivisions on a first-come, first-served basis. ADOA is permitted to establish a reimbursement cap for each political subdivision. Appropriates \$1 million from the general fund in FY2023-24 to ADOA to distribute to political subdivisions for electric vehicle reimbursement.

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**Tracking Lists:** Engineering and Transportation

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**SB1697 - Highways; bicycle paths; walkways; prohibition**

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**Summary:** The Arizona Department of Transportation (ADOT) is prohibited from accepting federal monies to pay for the construction, maintenance or expansion of a highway or state route if the acceptance of the federal monies is conditioned on the design and construction of a bicycle path or pedestrian walkway component of the highway or state route. ADOT cannot plan, design or construct bicycle paths or pedestrian walkways that are parallel to and separated from a highway or state route. Applies to a highway or state route that exists before, on or after the effective date of this legislation.

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**Comment:** Would restrict ability to receive/recoup federal funds

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**Tracking Lists:** Engineering and Transportation

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# Finance Procurement Budget Audit

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## HB2003 - Corporate income tax; rates

**Summary:** Decreases the corporate income tax rate to 4.0 percent of net income in tax year 2023, 3.5 percent of net income in tax year 2024, 3.0 percent of net income in tax year 2025, and 2.5 percent of net income in tax years beginning with 2026, from 4.9 percent of net income. Retroactive to tax years beginning with 2023. AS PASSED HOUSE

**Tracking Lists:** Finance Budget Procurement Audit

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## HB2007 - Insurance; group excess liability (Group excess liability insurance)

**Summary:** Establishes a new article in Title 20 (Insurance) allowing an authorized insurer or unauthorized insurer to offer "group excess liability insurance" (defined coverage in Arizona, and to issue a group excess liability insurance policy under the provisions of the article only. Establishes regulations for group excess liability insurance policies, including premiums, limits of coverage, renewals, and cancellations. AS PASSED HOUSE

**Tracking Lists:** Finance Budget Procurement Audit

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## HB2013 - Transportation tax; deposit; regional fund

**Summary:** Interest earned on net revenues collected from a county transportation excise tax that are not distributed or refunded pursuant to existing statute, and interest earned on those revenues, are required to be deposited in the same funds that the net revenues are required to be deposited in.

**Tracking Lists:** Finance Budget Procurement Audit, Engineering and Transportation

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## HB2031 - Technical correction; disabled parking; reciprocity

**Summary:** Minor change in Title 28 (Transportation) related to disabled parking. Apparent striker bus.

**Comment:** Dead. Striker to this bill has Proposition 400 Extension language. The allocations amongst freeways, arterials, programs, and transit do not reflect the unanimously agreed to regional transportation plan. There may be opportunity for further amendments.

**Tracking Lists:** Sustainability & Resilience, Finance Budget Procurement Audit, Engineering and Transportation

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## HB2061 - Food; municipal tax; exemption.

**Summary:** Municipalities and other taxing jurisdictions are prohibited from levying a transaction privilege, sales, or use tax or fee on the sale of food items intended for human consumption or home consumption (as defined elsewhere in statute and by rule). Applies to tax periods on or after the first day of the month following the general effective date.

**Comment:** Oppose. The loss to the city budget, if businesses would no longer be remitting food tax, is \$10 million annually. Having a broad tax base to support the necessary services for people in Tempe is prudent policy. The city has many visitors for special events and for regular events—Tempe's daytime population nearly doubles as we have workers, students, tourists and others visit the city. This broad tax based on many sources allows the city to provide the proportional services needed for the influx of people.

**Tracking Lists:** Finance Budget Procurement Audit

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## HB2064 - Property tax exemption; disability; qualifications

**Summary:** For the purpose of the property tax exemption for persons with total and permanent disabilities, the term "person with a total and permanent disability" defined as a person who is unable to engage in any substantial gainful activity by reason of any physical or mental impairment that is expected to last a continuous period of at least 12 months or result in death within 12 months as certified by a "competent medical authority" (defined).

**Tracking Lists:** Finance Budget Procurement Audit

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## HB2067 - Residential leases; municipal tax exemption

**Summary:** Beginning January 1, 2024, municipalities and other taxing jurisdictions are prohibited from levying a transaction privilege, sales, use or other similar fee on the business of renting or leasing real property for residential purposes. Does not apply to health care facilities, long-term care facilities, hotels, motels, or other transient lodging businesses. By January 1, 2024, the owner of real property that is rented or leased for residential purposes and the located in a municipality or other taxing jurisdiction that levies such a tax is required to reduce the amount of rent due by an amount equal to the difference caused by the elimination of the tax as provided in this legislation. Contains a legislative intent section. Applies to tax periods beginning January 1, 2024.

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**Comment:** Oppose. The removal of this business tax from one type of business does not include any guarantees of affordable housing and reduces revenues that are a tool to enhance the city's work to create sustained affordable housing for Tempe residents. Tempe's rate is 1.8%. The loss to the city budget, if corporations that are in the business of residential rental stop remitting their tax, is \$16 million annually. The city would like to continue the conversation about affordable housing policies at the state level—and continue the local programs that actually address affordability, like Hometown for All, the Tempe Public Housing Authority, and leveraging federal funding. Unfortunately, this business tax break proposal would not advance affordability goals, it would reduce city revenues—revenues that the city uses to advance programs that actually contribute to guaranteed affordable units.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2115 - Income tax; credits; subtractions

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**Summary:** A taxpayer that is allowed a tax credit under statutes governing the transaction of insurance business or an individual or corporate income tax credit prohibited from selling or transferring the tax credit to another taxpayer. Any income tax credit enacted beginning January 1, 2024 is not refundable. Retroactive to January 1, 2023, for the purpose of computing Arizona adjusted gross income for income tax purposes, the subtraction from Arizona gross income for 25 percent of the net long-term capital gain included in federal adjusted gross income does not apply to any net long-term capital gain from sale of a charter school.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2156 - Governmental entities; proxy voting; prohibitions (~~Proxy voting; governmental entities; prohibition~~)

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**Summary:** A governmental entity that establishes or maintains a "plan" (defined as any plan, fund, or program established or maintained by the state or a political subdivision to provide retirement income or benefits to employees, defer income by employees, or invest taxpayer monies for any purpose) is required to make all direct investment decisions based solely on pecuniary factors when evaluating an investment, and is required to vote all directly held shares that have the directly held shares voted, based solely on pecuniary factors when voting proxies. Also, all state investments made by the State Treasurer are required to be made in the sole interest of the beneficiary taxpayer. AS PASSED HOUSE

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**Tracking Lists:** HR, CAO, Finance Budget Procurement Audit

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### HB2206 - Software licensure

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**Summary:** A contract entered into by a "public agency" (defined as the state, the Arizona Board of Regents, a county, municipality, district, public authority, or other political subdivision of Arizona, excluding a political subdivision that operates a federal reclamation project) for the licensing of software applications designed to run on generally available desktop or server hardware cannot limit the public agency's ability to install or run the software on the hardware of the public agency's choosing. Applies to any contract or addendum entered into from and after the effective date of this legislation. AS PASSED HOUSE

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**Tracking Lists:** IT, Finance Budget Procurement Audit

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### HB2213 - Case management; remote access; requirements (~~TPT; exemption; utilities; residential customers~~)

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**Summary:** The Department of Child Safety (DCS) is required to provide to the Arizona Supreme Court (ASC) remote access to all automated case management systems used by DCS for the ASC to use in assisting local foster care review boards. DCS is required to provide to foster care review boards direct online access to all "DCS information" (defined) identified by the board as necessary to perform the board's duties. The Office of the Ombudsman-Citizen Aide is required to have direct remote access to all DCS information within the DCS automated case management system unless explicitly prohibited by law. DCS is required to keep all DCS information separate within the DCS case management system in specified categories. AS PASSED HOUSE

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**Comment:** Monitor. Applies to the state portion of the utilities classification of transaction privilege tax, not the direct portion of city revenues.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2223 - Liquor; licensing; processes; procedures

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**Summary:** Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary microbrewery festival liquor license that authorizes the sampling of the microbrewery products on the festival premises and the sale of products for consumption on the festival premises. A microbrewery festival location must be approved by the county board of supervisors or municipal governing body as applicable. Increases the maximum value of promotional items furnished by a liquor wholesaler to a retailer in a calendar year to \$700, from \$500. Beginning with tax periods that begin January 1, 2024 and after, allows specified liquor licensees to pay luxury privilege taxes on an annual basis instead of a monthly basis. A liquor licensee that has off-sale privileges and that delivers spirituous liquor is required to complete a written record of each delivery at the time of delivery. Information that must be included in the written record is listed. The licensee is required to obtain the name, date of birth, and signature of the individual who accepts the delivery of spirituous liquor. AS PASSED HOUSE

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**Comment:** Potential opportunity for amending language

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**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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### HB2257 - Taxation; repeal; selected exemptions

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**Summary:** Eliminates various exemptions from taxation, including the exemptions from the retail classification of transaction privilege taxes for sales of warranty service contracts and sales of stocks and bonds. For tax years beginning with 2024, the income tax rate for corporations is increased to 5.5 percent, 4.9 percent. 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 Legislature for passage, and becomes effective on signature of the Governor.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2263 - Tax credits; reporting requirements

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**Summary:** By May 15 each year, each "qualified investor" claiming an income tax credit for investments made in a qualified small business in Arizona is required to report to the Arizona Commerce Authority (ACA) the number of jobs created by a qualified small business that received a qualified investment from the investor. By June 15 each year, the (ACA) is required to report this information to the Joint Legislative Budget Committee (JLBC), as well as information about the allocation of qualified investments by industry. By May 15 of each year, each claimant of a tax credit for the production of electricity using renewable energy resources is required to report to the Arizona Department of Revenue (ADOR) the total megawatt hours of electricity generated from a qualified energy generator and the number of persons employed at the time the tax credit is claimed by businesses in Arizona that manufacture, install, or service qualified energy generators. By June 15 of each year, ADOR is required to report this information to the JLBC.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2268 - Income tax credits; repeal

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**Summary:** Repeals the individual income tax credit for agricultural pollution control equipment. Establishes reporting requirements for recipients of the qualified income tax credit and the income tax credit for agricultural water conservation systems. 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.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2269 - Tax exemptions; credits; review schedule

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**Summary:** The Joint Legislative Income Tax Credit Review Committee is renamed the Joint Legislative Tax Exemption Review Committee, and the Committee is required to review existing "tax exemptions" (defined as exclusions, exemptions, and credits from transaction privilege taxes as well as individual and corporate income tax credits) according to a ten-year review schedule. The Committee is required to compile and adopt a ten-year review schedule by December 15, 2023.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2271 - Repeal; tax credits; grants; reporting

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**Summary:** Repeals the individual income tax credit for agricultural pollution control equipment. By March 1 each year, each "qualified facility" (defined as a facility in Arizona that devotes at least 80 percent of the property and payroll to qualified manufacturing, headquarters or research) claiming an income tax credit for expanding or locating a qualified facility in Arizona is required to report to the Arizona Commerce Authority the following: the number of full-time employees at the qualified facility hired in Arizona in the preceding calendar year, the compensation and benefit information for each full-time employment position for tax credit purposes, and the total capital expenditures the qualified facility invested in Arizona as a result of the tax credit. By May 1 each year, the Authority is required to report this information to the Joint Legislative Budget Committee. The information that each entity receiving a grant from the Arizona Competes Fund is required to annually report to the Authority is expanded to include compensation and benefit information for each employment position required for eligibility. By March 1 each year, each claimant of the tax credit for purchasing and installing an agricultural water conservation system in Arizona is required to report to the Arizona Department of Revenue (ADOR) on the reduction in water usage as a result of installing the system. By March 1 each year, ADOR is required to report to the "joint legislative committee" on the reduction in water usage as a result of installing agricultural water conservation systems as reported by all claimants, and the number of states where taxpayers receive a comparable income tax credit. 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.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2282 - Tax expenditures; review; recommendations

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**Summary:** The Joint Legislative Income Tax Credit Review Committee is renamed the Joint Legislative Tax Expenditure Review Committee. The Committee is required to adopt and review the "tax expenditures" (defined as any exemption from the impact of established taxes and tax classifications) for transaction privilege and affiliated excise taxes according to a 10-year review schedule, and the Committee is required to compile and adopt the schedule by December 15, 2022. After a review, the Committee is required to recommend the tax expenditures to be amended, repealed or retained. The Committee is required to report its recommendations to the Legislature and the Governor by December 15 of the year the tax expenditure is reviewed. If the tax expenditure is recommended to be retained or amended, the next review year must be no later than the 10th full calendar year following the date the tax expenditure is reviewed. Modifies the income tax credit review schedule.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2315 - Primary residence; property tax; exemption

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**Summary:** The primary residence of an Arizona resident that is not subject to a mortgage, deed of trust or other similar encumbrance is exempt from taxation. The property owner is required to file an affidavit with the county assessor to initially establish qualification for this exemption. Conditionally enacted on the Constitution being amended by the voters at the 2024 general election by passage of an unspecified House Concurrent Resolution (blank in original) relating to property tax exemptions.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2362 - State shared revenues; withholding; repeal

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**Summary:** Repeals statute requiring the Attorney General to investigate any official action taken by the governing body of a county or municipality that a member of the Legislature alleges violates state law or the state Constitution, and withholding state shared monies from the county or municipality if the Attorney General concludes that there is a violation and if the county or municipality fails to resolve the violation within 30 days.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2367 - Property taxes; elderly assistance fund

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**Summary:** Statute establishing and regulating the Elderly Assistance Fund is repealed and replaced. Impossible to determine new provisions without a line by line comparison. Effective January 1, 2024.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2395 - Repeal; individual income tax

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**Summary:** Repeals the Arizona individual income tax.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2418 - Police response time; study committee (~~Law enforcement; response times; requirements~~)

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**Summary:** Establishes a 13-member Police Response Time Study Committee to solicit ideas on recommendations to maintain or improve emergency call response times and critical law enforcement staffing shortages in Arizona. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 21, 2023, and self-repeals July 1, 2024. Emergency clause. AS PASSED HOUSE

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**Comment:** Held in Military Affairs and Public Safety Comte 2/6/23. Problematic language, preempts local decision-making, unclear sources of metrics

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**Tracking Lists:** PD, Finance Budget Procurement Audit

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### HB2446 - Smart and safe fund; distribution

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**Summary:** Modifies the distributions from the Smart and Safe Fund by adding joint powers authorities to the list of entities that receive 31.4 percent of Fund monies proportion to the number of enrolled members in the Public Safety Personnel Retirement System. Retroactive to January 1, 2021. Due to voter protest this legislation requires the affirmative vote of at least 3/4 of the members of each house of the Legislature for passage. AS PASSED HOUSE

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**Comment:** Held in Cmte. Fiscal note is anticipated. May affect the distributions to the city from the Smart and Safe Fund

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2447 - TPT; exemption; motor vehicle manufacturers

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**Summary:** A vehicle manufacturer or new vehicle dealer that is owned, operated or controlled by the manufacturer or one of its affiliates or subsidiaries is authorized to issue a special ten day nonresident registration permit in order to deliver a vehicle to a nonresident purchaser. The maximum number of these permits a manufacturer or new dealer may issue in FY2023-24 is 500, and the maximum number will increase by 10 percent each fiscal year after. The list of exemptions from transaction privilege taxes is modified to include sales of motor vehicles to nonresidents if the motor vehicle is sold to a nonresident purchaser who has obtained a special ten day nonresident registration permit. Applies to taxable periods beginning on or after the first day of the month following the effective date of this legislation.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2471 - Government investments; plans; fiduciaries; products

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**Summary:** A "fiduciary" (defined) is required to discharge his/her duties with respect to a "plan" (defined as any plan, fund, or program established or maintained by a state or a political subdivision to provide retirement income or benefits to employees, defer income, or invest taxpayer monies for any purpose) solely in the best interest of the participants and beneficiaries of the plan, and is required to take into account only pecuniary factors when evaluating an investment. A governmental entity that establishes or maintains a plan may vote the shares held by the plan, and the shares held by a plan must be voted only in the best pecuniary interest of the plan. A fiduciary is prohibited from adopting a practice of following the recommendations of a proxy advisory firm unless the guidelines are consistent with these requirements. The State Treasurer is required to post a current list of state investments by name and a current list

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investment managers on the State Treasurer's publicly accessible website. All state investments are required to be made in the sole interest of the beneficiary taxpayer.

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**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2585 - TPT; digital goods and services**

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**Summary:** Establishes a digital goods classification of transaction privilege taxes (TPT) and levies a TPT at a rate of 5 percent of the tax base for every person engaging or continuing in the business of digital goods. The digital goods classification is comprised of the business of selling, leasing or licensing the of "prewritten computer software" or providing "specified digital goods" (both defined). The tax base for the digital goods classification is the gross price of sales or gross income derived from the business. Establishes requirements for sourcing prewritten computer software and specified digital goods. Imposes an additional TPT rate increment of 0.6 percent on the digital goods classification through June 30, 2041. The gross income, gross receipts proceeds, purchase price, or sales price from selling, leasing, licensing, purchasing, or using "digital services" (defined elsewhere in statute) is excluded from TPT and excise taxes. Does not apply to services provided by a person subject to tax under the online lodging marketplace classification. Applies to taxable periods beginning on or after the first day of the month following the general effective date.

**Comment:** Problematic, appears to conflict with court ruling

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**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2587 - Governor's declaration; fiscal impact analysis**

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**Summary:** In any year in which the Governor has initially declared a state of war emergency or state of emergency for a public health emergency, the State Treasurer is prohibited from withholding any amount from the Arizona Convention Center Development Fund from an eligible city for that year. In conducting the analysis or estimate of the economic impact of any project eligible for monies from the Fund in subsequent years following the emergency declaration Auditor General is required to assume that the eligible city satisfied the minimum required attendance in the year of the emergency declaration and that following that declaration, and that the incremental revenues to the general fund in any year of the initial emergency declaration and the year following declaration at least equaled the amount of distributions by the state. Retroactive to January 1, 2020.

**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2677 - Income tax; subtraction; retirement distribution**

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**Summary:** For the purpose of computing Arizona adjusted gross income for individual income tax purposes, the list of subtractions from Arizona gross income is expanded to include the amount of any distributions from an individual retirement account or from a qualified retirement plan as provided in specified code, to the extent not already excluded from Arizona gross income under the federal Internal Revenue Code.

**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2707 - Motor fuel tax suspension**

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**Summary:** Suspends the Arizona motor vehicle fuel tax and use fuel taxes from November 1, 2023 through October 31, 2024.

**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2712 - TPT; diapers; feminine hygiene; exemption..**

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**Summary:** The list of exemptions from the retail classification of transaction privilege and use taxes is expanded to include disposable diapers, other similar disposable items commonly used for incontinence, and a list of feminine hygiene products. Applies to taxable periods beginning on or after the first day of the month following the general effective date.

**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2715 - Tax credit; care giving expenses**

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**Summary:** For tax years beginning with 2024, an individual income tax credit is established for a taxpayer who incurs qualifying expenses during the tax year for care and support of "qualifying family members" (defined as an individual who is at least 18 years of age and who requires assistance with one or more daily living activities and is one of a list of specified relatives of the taxpayer) in the taxpayer's home. Qualifying expenses must be directly related to the care or support of the qualifying family member, and expenses that do and do not qualify are specified. The amount of the credit is 50 percent of the qualifying expenses incurred during the tax year, with a maximum of \$1,000. If the allowable credit exceeds taxes due, the taxpayer is allowed to carry the unallowed amount forward for up to five tax years.

**Tracking Lists:** Finance Budget Procurement Audit

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### **HB2756 - Law enforcement; defunding; prohibition**

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**Summary:** Municipalities are prohibited from reducing the annual operating budget for the municipal police department by any amount below the previous year's budget. If a municipality reduces the annual operating budget of the municipal police department, the municipality is required to notify the State Treasurer.

the reduction, and the State Treasurer is required to withhold state shared revenues from the municipality in an amount equal to the reduction until notification that the reduction in the municipal police department's budget has been restored. Does not apply if the municipality does not have the means required to continue the annual operating budget of the municipal police department at the same amount as the previous year.

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**Tracking Lists:** PD, Finance Budget Procurement Audit

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### HB2769 - Ready-to-drink spirits products; tax

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**Summary:** For the purpose of statutes regulating spirituous liquor, the definition of "distilled spirits" is modified to include "ready-to-drink spirits products" (define unless expressly provided otherwise. The luxury tax rate on ready-to-drink spirits products is \$1.25 per gallon at a proportionate rate for any lesser or greater quantity than one gallon. Every wholesaler of ready-to-drink spirits products selling ready-to-drink spirits products within Arizona is required to pay the luxury tax as required by law on all such products sold within Arizona and add the amount of tax to the sales price. Applies to tax periods beginning on or after the first day of the month following the general effective date.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2807 - TPT; prime contracting; exemption; alterations

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**Summary:** The definitions of "modification" and "alteration" for the purpose of computing the tax base for the prime contracting classification of transaction privilege taxes are modified. Effective January 1, 2024 and applies to contracts, bids, or other binding obligations entered into beginning January 1, 2024.

**Comment:** Oppose

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**Tracking Lists:** Finance Budget Procurement Audit

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### HB2808 - Public records; time frame

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**Summary:** An entity that is subject to a public records request is required to provide, within five business days after receiving a request for the records, a notification that includes specified information, including the expected date the request will be processed. An entity that willfully or intentionally refuses to comply with public records request laws or otherwise acts in bad faith is subject to a civil penalty of \$500 to \$5,000 for each occurrence. AS PASSED HOUSE

**Comment:** Amended in committee this week. Earlier: Oppose. Problematic language that does not offer sufficient time for responsible redaction (e.g. victims' and/or reporter information) and compilation of records.

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**Tracking Lists:** CAO, Clerk and Elections, PD, Finance Budget Procurement Audit

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### HCR2017 - Property tax; exemption; primary residence

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to allow the Legislature to exempt from property tax the primary residence of an Arizona resident that is not subject to a mortgage, deed of trust, or other similar encumbrance. Applies to tax years beginning with 2025.

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**Tracking Lists:** Finance Budget Procurement Audit

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### HCR2043 - Compensation; state preemption; limitation

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to declare that the regulation of employee benefits is a statewide concern and not subject to further regulation by a municipality or other political subdivision. Does not affect the authority of a county or municipality to set wages or benefits for county or municipal employees or limit a county's or municipality's authority to enter into contracts for personal services.

**Comment:** Preemption proposal

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**Tracking Lists:** HR, Finance Budget Procurement Audit

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### SB1008 - Court fees; costs; deferral; waiver

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**Summary:** The court is required to grant an application for deferral of court fees and costs if an applicant establishes that the applicant has a gross monthly income that is 225 percent or less of the current federal poverty level, increased from 150 percent or less, or if an applicant establishes that the applicant is receiving benefits from the Arizona Health Care Cost Containment System (in addition to other programs previously listed). The court is authorized to waive court fees and costs entirely or in part.

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**Tracking Lists:** Courts, Finance Budget Procurement Audit

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### SB1033 - TPT; diapers; feminine hygiene; exemption.

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**Summary:** The list of exemptions from the retail classification of transaction privilege and use taxes is expanded to include disposable diapers, other similar disposable items commonly used for incontinence, and a list of feminine hygiene products. Applies to tax periods beginning on or after the first day of the month

following the general effective date.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1063 - Food; municipal tax; exemption...

**Summary:** Municipalities and other taxing jurisdictions are prohibited from levying a transaction privilege, sales, or use tax or fee on the sale of food items intended for human consumption or home consumption (as defined elsewhere in statute and by rule). Effective July 1, 2025. AS PASSED SENATE

**Comment:** Oppose. The loss to the city budget, if businesses would no longer be remitting food tax, is \$10 million annually. Having a broad tax base to support necessary services for people in Tempe is prudent policy. The city has many visitors for special events and for regular events—Tempe's daytime population nearly doubles as we have workers, students, tourists and others visit the city. This broad tax based on many sources allows the city to provide the proportional services needed for the influx of people.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1089 - Food; municipal tax; exemption..

**Summary:** Municipalities and other taxing jurisdictions are prohibited from levying a transaction privilege, sales, or use tax or fee on the sale of food items intended for human consumption or home consumption (as defined elsewhere in statute and by rule). Applies to tax periods on or after the first day of the month following the general effective date.

**Comment:** Oppose. The loss to the city budget, if businesses would no longer be remitting food tax, is \$10 million annually. Having a broad tax base to support necessary services for people in Tempe is prudent policy. The city has many visitors for special events and for regular events—Tempe's daytime population nearly doubles as we have workers, students, tourists and others visit the city. This broad tax based on many sources allows the city to provide the proportional services needed for the influx of people.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1096 - Firearms; contracts; prohibited practices

**Summary:** A "public entity" (defined) is prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of service supplies, information technology, or construction unless the contract includes a written certification that the company does not currently, and agrees in the duration of the contract that it will not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS PASSED SENATE

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**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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### SB1104 - Procurement; information disclosure; bidders

**Summary:** During competitive sealed bidding, the Director of the Arizona Department of Administration is required to provide a question and answer period for bidders and interested parties outside of the procurement process to submit written questions and for the Director to provide written responses to those questions.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1137 - Maricopa county; division; new counties

**Summary:** Divides Maricopa County into four counties by modifying the Maricopa County boundaries and adding three new counties: Hohokam County, Mogollon County, and O'odham County. Maricopa County operations will continue in their existing form through a transition period of up to three years after the effective date of this legislation. The boards of supervisors of Hohokam, Mogollon, and O'odham Counties will be elected at a special election held within 120 days after the effective date of this legislation. Currently elected Maricopa County Supervisors continue in their capacity for the remainder of the term in whichever county their supervisory district is located. The elected boards of supervisors in the three new counties will determine an application process for municipalities to apply to be the county seat, which will be determined at a special election to be held within 120 days from the election of the board of supervisors. The four counties are authorized to enter into a ten-year shared use agreement for the use of existing shared capital assets. The four counties are required to enter into an intergovernmental agreement for the continued operation of community colleges for at least ten years after the effective date of this legislation. Effective January 1, 2024.

**Comment:** Oppose

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**Tracking Lists:** CAO, Clerk and Elections, Finance Budget Procurement Audit, Engineering and Transportation

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### SB1148 - Law enforcement; video recordings; fee

**Summary:** Municipalities are authorized to establish a onetime fee that is charged to a person who submits a public records request to a local law enforcement agency for a copy of a video recording. Specified crime victims or their immediate family members may receive one copy of a video recording at no charge. AS PASSED SENATE

**Comment:** Support. Expected amendment language to codify victim access.

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**Tracking Lists:** PD, Finance Budget Procurement Audit

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### **SB1156 - Income tax; subtraction; adoption fees**

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**Summary:** The maximum amount of the subtraction from Arizona gross income for nonrecurring costs of adoption is increased to \$40,000, from \$3,000, for tax years beginning January 1, 2024. Establishes the Adoptive Parent Grant Fund, to be administered by the Department of Child Safety, and used to provide \$1,000 grants to adoptive parents on a first-come, first-served basis beginning January 1, 2025. Appropriates \$4 million from the general fund in FY2023-24 to the Fund. AS PASSED SENATE

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1184 - Municipal tax exemption; residential leases**

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**Summary:** Beginning January 1, 2024, municipalities and other taxing jurisdictions would have been prohibited from levying a transaction privilege, use, or other tax or fee on the business of renting or leasing residential property. Some exceptions. By January 1, 2024, the landlord of real property that is rented or leased for residential purposes and that is located in a municipality or other taxing jurisdiction that levies a transaction privilege tax on the business of renting or leasing residential property would have been required to reduce the amount of rent due by an amount equal to the difference caused by the elimination of the transaction privilege tax on the business of renting or leasing residential property. The Arizona Department of Revenue would have been required to electronically notify each residential rental transaction privilege tax licensee of these provisions. From January 1, 2024 through June 30, 2024, the State Treasurer would have been required to distribute proportionately for each month \$14,945,600 from the portion of the revenues derived from transaction privilege taxes that is not designated as the distribution base to the municipalities that levied a transaction privilege tax on renting or leasing residential property during FY2021-22, based on the average amount that the municipality collected from that tax during FY2021-22. All municipalities would have been required to use monies paid from revenues collected from a remote seller in the retail transaction privilege tax classification and paid to the municipality as state shared revenue for public safety before any other municipal purpose. Would have applied to tax periods beginning January 1, 2024 and after. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that lowering housing costs is a priority, but that lacks any enforceable mechanism to ensure relief will be provided to renters and includes an appropriation outside of a comprehensive budget agreement.

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**Comment:** Oppose. The removal of this business tax from one type of business does not include any guarantees of affordable housing and reduces revenues that are a tool to enhance the city's work to create sustained affordable housing for Tempe residents. Tempe's rate is 1.8%. The loss to the city budget, if corporations that are in the business of residential rental stop remitting their tax, is \$16 million annually.

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1189 - Municipal tax code commission; continuation (~~Regents; officers; technical correction~~)**

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**Summary:** The statutory life of the Municipal Tax Code Commission is extended four years to July 1, 2027. Retroactive to July 1, 2023. AS PASSED SENATE

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**Comment:** Monitor, anticipated striker with Municipal Tax Code Commission language

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1203 - Income tax; reduction; budget surplus**

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**Summary:** Beginning with FY2023-24 and each fiscal year thereafter, the Joint Legislative Budget Committee is required to notify the Arizona Department of Revenue (ADOR) if there is a budget surplus in a fiscal year and, if so, the amount of the budget surplus. On receipt of the notice ADOR is required to reduce the individual income tax rate for the taxable year after the year in which the notice is provided such that the amount of the overall rate reduction is equal to the amount of the budget surplus provided in the notice. On receipt of any subsequent notice, ADOR is required to further reduce the income tax rate for the taxable year after the year in which the notice is provided such that the amount of the overall rate reduction is equal to 50 percent of the budget surplus provided in the notice until the tax rate is zero percent of taxable income.

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1219 - Municipal real property; sale; valuation**

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**Summary:** The circumstances under which real property of a municipality cannot be sold without authorization from the voters is changed to apply to real property of a municipality that has a total assessed value for the current year net assessed value subject to taxation in prior year, the value of which exceeds 2.5 percent of the locally assessed real property value of a municipality, instead of the value of which exceeds \$1.5 million.

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**Tracking Lists:** Community Development, Finance Budget Procurement Audit, Economic Development

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### **SB1240 - Virtual currency; property tax exemption**

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**Summary:** "Virtual currency" (defined) is exempt from taxation. Conditionally enacted on the state Constitution being amended by a vote of the people at the 2024 general election to exempt virtual currency from property tax by passage of Senate Concurrent Resolution 1007. AS PASSED SENATE

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1245 - VLT; cities and towns; counties

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**Summary:** Counties and municipalities are required to use vehicle license tax monies for purposes related to transportation.

**Comment:** Preemption bill regarding local decision-making on budget setting.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1260 - Small businesses; income tax; rate

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**Summary:** The tax rate on Arizona small business taxable income is reduced to 2.5 percent for tax years beginning with 2023, instead of 2025. Previously, the rate was 2.8 percent for tax years 2023 and 2024. Retroactive to tax years beginning with 2023.

**Tracking Lists:** Finance Budget Procurement Audit

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### SB1263 - Property tax; revisions (~~Business personal property; tax exemption~~)

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**Summary:** Personal property used in a trade or business and personal property used for agricultural purposes that is not centrally assessed property is exempt from taxation, instead of only being exempt for up to a maximum amount of \$207,366. Personal property that is devoted to any commercial or industrial use that is not included in another property tax classification is removed from the list of property classified as class one for property tax purposes. Personal property that is not included in another property tax classification is removed from the list of property classified as class two for property tax purposes. Various specified types of personal property are removed from the lists of property classified as class one, two, four, six, and seven for property tax purposes. Repeals statutes providing valuation guidelines for various types of personal property subject to property taxes. Applies to tax years beginning with 2024. AS PASSED SENATE

**Tracking Lists:** Finance Budget Procurement Audit

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### SB1274 - Computer data centers; TPT; refund

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**Summary:** Any claim for a refund of transaction privilege taxes (TPT) or use taxes for the TPT deduction for qualifying equipment purchased between July 1, 2020 through June 30, 2024 by a qualified business for harvesting or processing qualifying forest products removed from qualifying projects, or for the use tax deduction for machinery, equipment, materials and other tangible personal property used directly and predominantly to construct a qualified environmental technology manufacturing, producing or processing facility that is filed from and after December 31, 2021 must be submitted using the regular refund process and are not subject to session law from 2021 establishing requirements for claims for a refund based on the retroactive application of specific refunds. Retroactive to January 1, 2022. AS PASSED SENATE

**Comment:** Amendment is supported by cities and DOR, brings cities to neutral.

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**Tracking Lists:** Finance Budget Procurement Audit

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### SB1319 - VLT exemption; veteran amputees

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**Summary:** A person who is certified by the U.S. Department of Veterans Affairs as having at least a 40 percent disability that results from a lower limb amputation drawing compensation on that basis is exempt from vehicle license taxes and registration fees.

**Tracking Lists:** Finance Budget Procurement Audit

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### SB1325 - TPT; administration; remote sellers

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**Summary:** If another state tax agency extends comity to Arizona in the tax administration for remote sellers, the Arizona Department of Revenue (ADOR) is required to allow a remote seller to communicate exclusively through the state tax agency of the state in which the remote seller is located, including allowing the remote seller to report and remit the tax owed to Arizona to the state tax agency of that state and for that state tax agency to remit it to Arizona on behalf of the remote seller. ADOR is required to cooperate with other state tax agencies to develop a "central clearinghouse" (defined). If a central clearinghouse is established, ADOR is required to use the central clearinghouse to accept all tax returns and remittances for remote sellers. Beginning in calendar year 2024, a remote seller may elect to pay a single municipal tax rate instead of the municipal tax rates for retail sales in effect for each municipality or school district. The single municipal tax rate is equal to the average rate of municipal taxes imposed in Arizona during the previous fiscal year. For calendar year 2024 and after, any person that conducts business in an activity classified under transaction privilege tax (TPT) classifications with purchasers in Arizona is required to pay TPT if the person is a remote seller and the taxable sales, instead of the gross proceeds of sales or gross income, derived from the remote seller's business with customers in Arizona that is not facilitated by a marketplace facilitator is more than \$100,000. Contains legislative findings.

**Tracking Lists:** Finance Budget Procurement Audit

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### SB1369 - Certified peace officers; hiring reimbursement

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**Summary:** A law enforcement agency in Arizona or a county, municipality, or political subdivision that employs a peace officer and that pays the costs of the peace officer's certification and training is authorized to seek reimbursement for the costs of the law enforcement officer's training and certification from a "host law enforcement agency" (defined). The hiring law enforcement agency is required to reimburse 100 percent of the costs related to the peace officer's certification and training, including travel, housing and salary during the training, if the certified peace officer leaves the original law enforcement agency.

within 12 months after employment, and to reimburse 75 percent of all costs if the officer leaves after 12 months and no more than 24 months after employment, and to reimburse 50 percent of all costs if the officer leaves after 24 months and no more than 36 months after employment. The hiring enforcement agency cannot require a certified peace officer to assume responsibility for repaying the peace officer's certification costs. AS PASSED SENATE

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**Tracking Lists:** HR, PD, Finance Budget Procurement Audit

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### **SB1370 - Municipal ordinances and notices; posting**

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**Summary:** Notices of election, invitations for bids, notices of letting contracts, laws and ordinances, and other notices of a public character issued by authority of a governing body of any municipality may be posted on the municipality's website in lieu of being published in a newspaper if the municipality is located in a county with a population of 4 million persons or more (Maricopa County). A municipality that posts notices on the website is required to provide a link listing of all current notices and ordinances on the website's home page.

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**Tracking Lists:** CAO, Clerk and Elections, Community Development, Finance Budget Procurement Audit, Communications & Marketing

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### **SB1473 - Tax corrections act of 2023**

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**Summary:** Corrections to the tax code as recommended by the Arizona Department of Revenue and Legislative Council. Changes are for clarification or to blend conflicting statutes and are not intended to be substantive. 21 pages. An annual exercise. AS PASSED SENATE

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1500 - Government investments; fiduciaries; pecuniary benefit**

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**Summary:** A "fiduciary" (defined) is required to discharge his/her duties with respect to a "plan" (defined as any plan, fund, or program established or maintained by a state or a political subdivision to provide retirement income or benefits to employees, defer income, or invest taxpayer monies for any purpose) solely in the best interest of the participants and beneficiaries of the plan, and is required to take into account only pecuniary factors when evaluating an investment. A governmental entity that establishes or maintains a plan may vote the shares held by the plan, and the shares held by a plan must be voted only in the best interest of the plan. A fiduciary is prohibited from adopting a practice of following the recommendations of a proxy advisory firm unless the guidelines are consistent with these requirements. The State Treasurer is required to post a current list of state investments by name and a current list of investment managers on the State Treasurer's publicly accessible website. All state investments are required to be made in the sole interest of the beneficiary taxpayer. Contains legislative findings.

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1505 - Election; Maricopa transportation excise tax**

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**Summary:** If approved by the voters at a countywide election, beginning January 1, 2026, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to ten percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 25 years. Specify the distribution of net revenues from the tax levy, with 37.4 percent of revenues distributed to the Regional Area Road Fund for freeways and other roads, 22.2 percent of revenues distributed to the Regional Area Road Fund for major arterial streets, and 40.4 percent to the Public Transportation Fund for capital costs and utility relocation costs associated with light rail and other public transportation. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation tax. Much more. Severability clause.

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**Tracking Lists:** Finance Budget Procurement Audit, Engineering and Transportation

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### **SB1559 - Businesses; fees; income tax reduction**

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**Summary:** For tax years beginning with 2024, the list of subtractions from Arizona gross income for the purpose of individual and corporate income taxes is expanded to include the following amounts of income received from the business for an individual who is the owner of a business or for a corporation: 100 percent of the income received for the business' first year of operation, 50 percent of the income received for the business' second year of operation, and 25 percent of the income received for the business' third year of operation. A new business or a person establishing a new business is exempt from all Arizona Corporation Commission business, service, and copying filing fees, from all Secretary of State business and trademark registration and financing statement filing fees, and from state transaction privilege tax license fees. Beginning January 1, 2024, the Arizona Department of Administration (ADOA) is encouraged to award five percent of the total number of state contracts entered into each year to "new businesses" (defined). ADOA is required to evaluate and lower barriers for new businesses to compete for state contracts. AS PASSED SENATE

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**Tracking Lists:** Finance Budget Procurement Audit

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### **SB1577 - Income tax rate; reduction; surplus**

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**Summary:** For each tax year beginning with 2024, the Department of Revenue is required to reduce the individual income tax rate for the current tax year so that the amount of the rate reduction is equal to that tax year's "Arizona taxpayer return," defined as 50 percent of the "structural surplus" (defined) for the immediately following fiscal year.

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**Comment:** Represents potential ongoing cuts to revenues that support city services, programs, and projects

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**Tracking Lists:** Finance Budget Procurement Audit

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**SB1611 - Public entities; contracts; prohibition**

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**Summary:** A public entity is prohibited from entering into or renewing a contract with a company to acquire services, supplies, information technology, goods or construction services unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract, to implement an "environmental, social or governance standards policy" (defined).

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**Tracking Lists:** CAO, Finance Budget Procurement Audit

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**SB1658 - Critical infrastructure; prohibited agreements**

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**Summary:** A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) with a company if the company would be able to access or control critical infrastructure in Arizona, except for access that is specifically allowed for product warranty and support purposes, and if the company is owned or controlled by citizens of China, Iran, North Korea or Russia, or by a company or other entity that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea or Russia, or that is headquartered in China, Iran, North Korea or Russia. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona.

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**Tracking Lists:** Municipal Utilities - Water, Finance Budget Procurement Audit, Engineering and Transportation

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**SCR1035 - Surplus; income tax rate; reduction**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend state statute to require the Department of Revenue, for each tax year beginning with 2026, to reduce the individual income tax rate for the current tax year so that the amount of the rate reduction is equal to that tax year's "Arizona taxpayer return," defined as 50 percent of the "structural surplus" (defined) for the immediately following fiscal year.

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**Comment:** Would represent potential ongoing cuts to revenues that support city services, programs and projects.

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**Tracking Lists:** Finance Budget Procurement Audit

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# FMR

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## HB2015 - Retirement plans; plan election; rehire

**Summary:** For the Public Safety Personnel Retirement System and Corrections Officer Retirement Plan, if an eligible employee who was already a member of the system and is subsequently rehired after a bona fide termination of employment of at least six months with no prearranged reemployment agreement or hired by the employer, the employee is allowed to make a new election to participate in either the regular plan or the defined contribution plan before the 90th day after the date of hire. If the employee does not make a new election in that time, the employee's previous election continues. Previously, once an employee made an election, that election was irrevocable for the remainder of the employee's employment with any employer under the system, regardless of whether the employee's employment was continuous. AS PASSED HOUSE

**Tracking Lists:** HR, PD, FMR

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## HB2070 - Emergency response plans; community engagement

**Summary:** Charter school governing bodies are required to develop, in conjunction with local law enforcement agencies and emergency response agencies, an emergency response plan for each school site that meets minimum standards developed by the Arizona Department of Education and the Department of Emergency and Military Affairs Division of Emergency Management. School district governing boards and charter schools are required to solicit input from students, parents, teachers, and other school employees when developing an emergency response plan.

**Tracking Lists:** PD, FMR

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## HB2080 - Emergency alert technology; vehicles; devices

**Summary:** Beginning January 1, 2025, all new motor vehicles and portable wireless communication devices sold in Arizona are required to contain "emergency alert technology" (defined).

**Tracking Lists:** IT, PD, FMR

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## HB2194 - Drug overdose fatality review teams

**Summary:** Establishes a 20-member Drug Overdose Fatality Review Team in the Department of Health Services and requires the Review Team to develop a drug overdose fatalities data collection system, develop protocols for drug overdose investigations, and determine statutory and regulatory changes needed to decrease the incidence of preventable drug overdose fatalities. Establishes processes for the Review Team to access information and regulates the confidentiality of information and records acquired by the Review Team. Review Team meetings are closed to the public and are not subject to open meeting law if the Review Team is reviewing information on a person who overdosed on drugs. Violations of the confidentiality requirements are a class 2 (mid-level) misdemeanor. Self-repeals January 1, 2029. Emergency clause. AS PASSED HOUSE

**Tracking Lists:** FMR, Community Health and Human Services

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## HB2540 - Fire incident management fund; appropriation

**Summary:** Establishes the Fire Incident Management Fund, to be administered by the State Treasurer and used to provide hardware and software that enables the statewide deployment of a secure incident management platform to fire and law enforcement agencies and meets other specified requirements. Appropriates \$12.2 million from the general fund in FY2023-24 to the Fund. AS PASSED HOUSE

**Tracking Lists:** FMR

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## HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)

**Summary:** For the purpose of programs providing public safety employees who are exposed to traumatic events with up to 12 visits of licensed counseling, the definition of "public safety employee" is expanded to include a 911 dispatcher in a primary or secondary public safety answering point. AS PASSED HOUSE

**Comment:** Intent to have mental health resources for dispatchers. Amending language anticipated.

**Tracking Lists:** HR, PD, FMR

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## SB1103 - Administrative review; approvals; developments

**Summary:** The legislative body of a county or municipality is allowed by ordinance to: authorize administrative personnel to review and approve site plans, development plans, land divisions, preliminary plats, final plats, and plat amendments without a public hearing; authorize administrative personnel to review and approve design review plans based on "objective" (defined) standards without a public hearing; adopt a self-certification program allowing registered architects and professional engineers to certify and be responsible for compliance with all applicable ordinances and construction standards for certain projects; allow at-risk submittals for certain on-site preliminary grading or drainage work; and allow applicants with a history of compliance with building codes and regulations to be eligible for expedited permit review. AS PASSED HOUSE

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**Comment:** Support. Permissive, administrative options that offer workable, logical concepts to add to the effectiveness of permitting processes. Amendment anticipated.

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**Tracking Lists:** Community Development, Engineering and Transportation, FMR

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### **SB1162 - Home-based businesses; restrictions; prohibition**

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**Summary:** A home-based business must be allowed as a use by right if the home-based business does not supersede any deed restriction, covenant or agreement restricting the use of land, a master deed or any other document applicable to a common interest ownership community. Counties and municipalities prohibit a "no-impact home-based business" (defined) or require a person to apply for, register, or obtain a permit, license, variance or other type of municipal approval to operate a no-impact home-based business. Counties and municipalities are authorized to establish reasonable regulations on home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety and ensuring that the business activity is compatible with residential use of the property. AS PASSED SENATE

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**Comment:** Oppose. Preemption bill on local decision-making affecting neighborhoods.

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**Tracking Lists:** Neighborhoods, CAO, Community Development, PD, FMR

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### **SB1214 - Sober living homes; fee reduction**

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**Summary:** Beginning January 1, 2024, the Arizona Department of Health Services is required to decrease the initial licensing and license renewal fees and the resident charge for sober living homes by 50 percent.

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**Comment:** Potential concern if the decrease in fee revenue for the Dept of Health Services results in fewer inspections for group homes/sober-living homes.

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**Tracking Lists:** Community Development, FMR

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### **SB1286 - Telecommunications fund; report; posting**

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**Summary:** The Director of the Arizona Department of Administration (ADOA) is required to post the annual report on the Telecommunications Fund on the ADOA website.

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**Tracking Lists:** PD, FMR

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### **SB1308 - Fireworks; aerial devices; retailers; licensure**

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**Summary:** Adds "aerial devices" (defined as devices that are designed or intended to rise into the air and explode or to detonate in the air or to fly above the ground) to the definition of "permissible consumer fireworks" that may be sold during certain date ranges in Arizona. A person is prohibited from selling aerial devices to a person who is under 21 years of age. A licensed "specialty retailer" (defined) is authorized to sell permissible consumer fireworks every day of the year in each county of Arizona. By January 1, 2024, the State Fire Marshal is required to adopt rules to license and inspect specialty retailers that are allowed to sell permissible consumer fireworks on every day of the year.

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**Tracking Lists:** CAO, PD, FMR

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### **SB1711 - Ambulances; emergency medical services**

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**Summary:** Ambulance services providing interfacility transportation in any certificate of necessity area are required to have at least one ambulance attendant that is an emergency medical technician (EMT) or a licensed physician or professional nurse, and one ambulance attendant that is an EMT or an emergency medical responder staffing an ambulance while transporting a patient. Effective January 1, 2024.

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**Tracking Lists:** FMR

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# HR

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## HB2008 - ASRS; contribution prepayment

**Summary:** When an Arizona State Retirement System (ASRS) employer is prepaying the employer's 401(a) pension contributions directly to ASRS, the earning accrual rate may be the actual rate of return of a short-term investment through ASRS, as requested by the employer and agreed to by ASRS. The requirement for the prepaying employer to elect an amortization schedule by written agreement with ASRS is deleted. Establishes requirements for a prepayment agreement made between ASRS and the state or any state agency. AS PASSED HOUSE

Tracking Lists: HR

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## HB2009 - ASRS; retirement application; changes

**Summary:** A member of the Arizona State Retirement System (ASRS) is allowed to elect to make changes to a retirement application before the member's retirement date, and to exercise a onetime election to make changes to the retirement application within 60 days after the member's retirement date. The member is prohibited from changing the retirement date, and any changes made are retroactive to the retirement date.

Tracking Lists: HR

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## HB2015 - Retirement plans; plan election; rehire

**Summary:** For the Public Safety Personnel Retirement System and Corrections Officer Retirement Plan, if an eligible employee who was already a member of the system is subsequently rehired after a bona fide termination of employment of at least six months with no prearranged reemployment agreement or hired by another employer, the employee is allowed to make a new election to participate in either the regular plan or the defined contribution plan before the 90th day after the date of hire. If the employee does not make a new election in that time, the employee's previous election continues. Previously, once an employee made an election, that election was irrevocable for the remainder of the employee's employment with any employer under the system, regardless of whether the employment was continuous. AS PASSED HOUSE

Tracking Lists: HR, PD, FMR

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## HB2020 - ASRS; contribution prepayment; appropriation

**Summary:** Makes a supplemental appropriation of \$45 million from the general fund in FY2022-23 to the Arizona State Retirement System to prepay Arizona's employers' 401(a) pension contributions. AS PASSED HOUSE

Tracking Lists: HR

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## HB2028 - PSPRS; contribution rates

**Summary:** Beginning with FY2023-24, the contribution rate for members of the Public Safety Personnel Retirement System is reduced to 7.65 percent of the member's compensation, from 11.654 percent. Beginning July 1, 2023, the amount of the member's contribution that exceeds 7.65 percent and that was accrued between July 1, 2011 through June 30, 2023 may be used in calculating the employers contributions. Retroactive to July 1, 2023.

Tracking Lists: HR

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## HB2029 - ASRS; supplemental deferral plan; participation

**Summary:** A political subdivision or political subdivision entity that is not participating in the Arizona State Retirement System (ASRS) is authorized to elect to allow employees to participate in a supplemental employee deferral plan that is overseen by ASRS by entering into an agreement with ASRS. AS PASSED HOUSE

Tracking Lists: HR

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## HB2108 - Unemployment benefits; requirements; disqualifications

**Summary:** In determining the validity of claims for unemployment insurance benefits, the Arizona Department of Economic Security (ADES) is prohibited from paying benefits for an initial or ongoing claim until the initial claim is cross-checked, or an ongoing claim is cross-checked on a weekly basis, against a list of data sets, including new hire reporting systems and death records databases. If a cross-check results in information indicating that a claim is ineligible or fraudulent, that claim cannot be paid, and the claimant must be disqualified from receiving benefits and referred for prosecution. To qualify for benefits, an individual is required to conduct at least five work search actions each week and to provide a weekly report to ADES that details the work search actions. Employers are required to report to ADES when an individual who was previously employed with that employer refuses to return to work or accept an offer of suitable work, fails to appear for a scheduled interview, or fails to respond to an offer of employment. AS PASSED HOUSE

Tracking Lists: HR

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## HB2156 - Governmental entities; proxy voting; prohibitions (Proxy voting; governmental entities; prohibition)

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**Summary:** A governmental entity that establishes or maintains a "plan" (defined as any plan, fund, or program established or maintained by the state or a political subdivision to provide retirement income or benefits to employees, defer income by employees, or invest taxpayer monies for any purpose) is required to make all direct investment decisions based solely on pecuniary factors when evaluating an investment, and is required to vote all directly held shares; if the entity has the directly held shares voted, based solely on pecuniary factors when voting proxies. Also, all state investments made by the State Treasurer are required to be made in the sole interest of the beneficiary taxpayer. AS PASSED HOUSE

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**Tracking Lists:** HR, CAO, Finance Budget Procurement Audit

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### **HB2303 - Employment; vaccination record; prohibition**

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**Summary:** An employer is prohibited from requiring or requesting an employee's vaccination records as a condition of employment.

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**Tracking Lists:** HR

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### **HB2649 - Appropriation; correction officers; retention bonus**

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**Summary:** Counties are required to distribute the second year of the retention bonus for line-level deputies and detention officers employed by the county sheriff's office, which was contained in the FY2022-23 budget, in a lump sum during the first month of the year, instead of in equal quarterly installments. Counties are allowed to use monies from the appropriation for retention bonuses for line-level deputies and detention officers employed as of May 1, 2022 that were unexpended after April 30, 2023 for bonuses to line-level deputies and detention officers hired after May 1, 2022. Retroactive to July 1, 2022. AS PASSED HOUSE

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**Tracking Lists:** HR, PD

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### **HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)**

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**Summary:** For the purpose of programs providing public safety employees who are exposed to traumatic events with up to 12 visits of licensed counseling, the definition of "public safety employee" is expanded to include a 911 dispatcher in a primary or secondary public safety answering point. AS PASSED HOUSE

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**Comment:** Intent to have mental health resources for dispatchers. Amending language anticipated.

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**Tracking Lists:** HR, PD, FMR

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### **HCR2025 - Death benefit; assault; first responders**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend state statute to levy a surcharge of two percent on every fine, penalty or forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties through December 31, 2032, and to deposit those monies from the surcharge in the newly established State Supplemental Benefit Fund. Beginning January 1, 2024, the state is required to pay \$250,000 to the surviving spouse of a "first responder" (defined) who is "killed in the line of duty" (defined), using monies from the Fund. Contains legislative findings and a Severability clause.

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**Tracking Lists:** HR

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### **HCR2043 - Compensation; state preemption; limitation**

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**Summary:** The 2024 general election ballot is to carry the question of whether to amend the state Constitution to declare that the regulation of employee benefits is a statewide concern and not subject to further regulation by a municipality or other political subdivision. Does not affect the authority of a county or municipality to set wages or benefits for county or municipal employees or limit a county's or municipality's authority to enter into contracts for personal services.

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**Comment:** Preemption proposal

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**Tracking Lists:** HR, Finance Budget Procurement Audit

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### **SB1018 - Collaborative care; appropriation (~~Mental health coverage; collaborative care~~)**

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**Summary:** Establishes the Collaborative Care Uptake Fund and requires the Arizona Department of Health Services (ADHS) to use Fund monies to make grants to primary care physicians who are in a medical practice with up to 50 employees to meet the initial costs of establishing and delivering behavioral health integration services through the collaborative care model. Specifies the expenses that a primary care physician that receives a grant may use the grant monies for. ADHS is required to solicit proposals from and enter into grant agreements with eligible collaborative care technical assistance centers to provide technical assistance to primary care physicians providing behavioral health integration services through the collaborative care model. A collaborative care technical assistance center that receives a grant is required to assist primary care physicians with a list of tasks. Appropriates \$1 million from the general fund in FY2023-24 to the Fund and from the Fund to ADHS. AS PASSED SENATE

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**Tracking Lists:** HR

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### **SB1031 - Public employees; employment; termination**

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**Summary:** State agencies and political subdivisions are prohibited from terminating an employee based on the employee's vaccination status or political affiliation. A violation is subject to a civil penalty of 10 percent of the state agency's or political subdivision's budget from the prior fiscal year.

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**Tracking Lists:** HR

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### **SB1164 - Workers' compensation; fraud investigations; adjudications**

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**Summary:** The Industrial Commission is required to establish a fraud unit to investigate fraudulent activities or statements made in connection with workers' compensation claims. The Commission is required to adopt rules to establish a process for receiving fraud complaints and conducting fraud investigations and provisions that must be included in the rules are listed. If, on investigation, the fraud unit is satisfied that fraudulent activities or statements were made, the fraud unit may report violations of the law to the reporting employer, self-insured employer, or insurance carrier, to the appropriate licensing agency or to the appropriate county attorney or the Attorney General for prosecution. AS PASSED SENATE

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**Tracking Lists:** HR

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### **SB1250 - Employers; vaccines; religious exemption**

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**Summary:** Employers are required to allow employees to claim a religious exemption from taking the COVID-19 vaccination, influenza A or B vaccination or flu vaccination, or any vaccination approved by the U.S. Food and Drug Administration for emergency use. Employers are prohibited from inquiring into the veracity of an employee's religious beliefs, and from discriminating against an employee regarding employment, wages, or benefits based on the employee's vaccination status. Employees are authorized to file a complaint with the Attorney General (AG) if the employer did not offer the employee a religious exemption form or improperly applied or denied the employee's religious exemption and the employee's employment was terminated. The AG is required to investigate all complaints. If the AG finds the complaint valid, the AG is required to notify the employer and allow the employer the opportunity to correct the noncompliance within 10 days. The AG is required to assess a civil penalty of \$5,000 on an employer that does not correct the noncompliance. AS PASSED SENATE

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**Tracking Lists:** HR

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### **SB1292 - Health insurance; essential benefits; requirements**

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**Summary:** Every health care insurer that offers an individual health care plan, short-term limited duration insurance or small employer group health plan in Arizona is required to provide coverage for at least the following ten essential benefits: ambulatory services, emergency services, hospitalization, maternity and newborn care, mental health and substance abuse disorder services, prescription drugs, rehabilitative and habilitative services and devices, laboratory services, preventive and wellness services, and pediatric services, including oral and vision care. Health care insurers are required to limit cost sharing for the coverage of essential health care benefits. Health care insurers cannot decline to offer coverage to, or deny enrollment in, a health care plan based solely on the individual's health status, including imposing preexisting condition exclusions or limitations in any health plan, canceling or refusing to issue a health plan based solely on an individual's health status, impose any preexisting condition exclusion or limitation, impose annual or lifetime dollar limits on the essential benefits listed, or unfairly discriminate against an individual or employee in establishing or adjusting premium rates based on the individual's age or sex.

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**Tracking Lists:** HR

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### **SB1369 - Certified peace officers; hiring reimbursement**

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**Summary:** A law enforcement agency in Arizona or a county, municipality, or political subdivision that employs a peace officer and that pays the costs of the peace officer's certification and training is authorized to seek reimbursement for the costs of the law enforcement officer's training and certification from a "hiring law enforcement agency" (defined). The hiring law enforcement agency is required to reimburse 100 percent of the costs related to the peace officer's certification and training, including travel, housing and salary during the training, if the certified peace officer leaves the original law enforcement agency within 12 months after employment, and to reimburse 75 percent of all costs if the officer leaves after 12 months and no more than 24 months after employment, and to reimburse 50 percent of all costs if the officer leaves after 24 months and no more than 36 months after employment. The hiring law enforcement agency cannot require a certified peace officer to assume responsibility for repaying the peace officer's certification costs. AS PASSED SENATE

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**Tracking Lists:** HR, PD, Finance Budget Procurement Audit

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### **SB1433 - Employer liability; COVID-19 vaccine requirement**

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**Summary:** If an employer denies a religious exemption and requires a person to receive a COVID-19 vaccination as a prerequisite to or requirement for maintaining employment, the employer is liable to the person for damages that result from a significant injury that is caused by receiving the COVID-19 vaccination. A claimant who prevails under this provision must be awarded actual damages, court costs, and reasonable attorney fees or statutory damages of \$10,000, whichever is greater, and may also recover exemplary damages. These rights supplement any other rights and remedies provided by law.

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**Tracking Lists:** HR

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### **SB1694 - Public monies; ideology training; prohibition**

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**Summary:** "Public entities" (defined) are prohibited from requiring an employee to engage in a "diversity, equity, and inclusion program" (defined), spending public monies on a diversity, equity, and inclusion program, and advancing or adopting any policy or procedure designed to influence the composition of its workforce on the basis of race, sex, or color. An employee of a public entity who is required to participate in a diversity, equity, and inclusion program authorized to bring an action against the public entity.

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**Tracking Lists:** HR, Diversity, Equity & Inclusion

# IT

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## HB2080 - Emergency alert technology; vehicles; devices

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**Summary:** Beginning January 1, 2025, all new motor vehicles and portable wireless communication devices sold in Arizona are required to contain "emergency technology" (defined).

**Tracking Lists:** IT, PD, FMR

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## HB2206 - Software licensure

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**Summary:** A contract entered into by a "public agency" (defined as the state, the Arizona Board of Regents, a county, municipality, district, public authority, or other political subdivision of Arizona, excluding a political subdivision that operates a federal reclamation project) for the licensing of software applications designed to run on generally available desktop or server hardware cannot limit the public agency's ability to install or run the software on the hardware the public agency's choosing. Applies to any contract or addendum entered into from and after the effective date of this legislation. AS PASSED HOUSE

**Tracking Lists:** IT, Finance Budget Procurement Audit

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## HB2357 - Broadband; internet protocol services; commission.

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**Summary:** The Arizona Corporation Commission (ACC) is required to oversee broadband service and voice over internet protocol service. The ACC is required to adopt rules to implement these requirements, and requirements for the rules are listed.

**Tracking Lists:** IT

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## HB2416 - Electronic applications; government employees; prohibition (~~Technical correction; sports facilities account~~)

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**Summary:** By 30 days after the effective date of this legislation, the Department of Administration is required to develop standards, guidelines, and practices for agencies, contractors of the state, and public institutions of higher education that require the removal of any "covered application," defined as a social networking service and any application or service developed or provided by a private company that is founded, headquartered, or located in a "countdown concern" (defined). The standards are also required to address the use of personal electronic devices by state employees and contractors to conduct business, and to identify sensitive locations, meetings, or personnel within a state agency that could be exposed to covered application-enabled personal devices and develop restrictions on the use of personal cell phones, tablets, or laptops in a designated sensitive location. State employees and contractors are prohibited from conducting state business on any personal electronic device that has a covered application, and from using any communications equipment and services that are included on the Federal Communications Commission's covered communications or services list and that are deemed to pose an unacceptable risk to the national security of the United States. More. AS PASSED HOUSE

**Tracking Lists:** IT, Communications & Marketing

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## HB2614 - State broadband grant program

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**Summary:** Establishes the State Broadband Grant Program to promote broadband infrastructure development and provide broadband access in Arizona. The Arizona Commerce Authority (ACA) is required to administer the Program. Requires the ACA to prioritize grant applicants that meet a list of specified qualifications.

**Tracking Lists:** IT

# Municipal Utilities Fleet and Waste

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## SB1246 - Electronic certificates of title

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**Summary:** The Arizona Department of Transportation cannot prohibit an authorized third party from printing an electronic certificate of title or a registration card.  
PASSED SENATE

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**Tracking Lists:** Municipal Utilities - Fleet and Waste

# Municipal Utilities Water

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## HB2022 - Water resources; annual report

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**Summary:** The deadline for the Arizona Department of Water Resources (ADWR) to provide the Governor and the Legislature with an annual operations report moved to August 15 of each year, from July 1. The report must be made available to the public on the ADWR website.

**Tracking Lists:** Municipal Utilities - Water

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## HB2026 - Appropriation; on-farm efficiency fund

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**Summary:** Appropriates \$30 million from the general fund in FY2023-24 to the On-Farm Irrigation Efficiency Fund.

**Comment:** AMWUA monitor

**Tracking Lists:** Municipal Utilities - Water

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## HB2048 - Assured water; small residential developments

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**Summary:** A person seeking a building permit for six or more residences within an active management area in an unincorporated area of a county is required to a certificate of assured water supply from the Department of Water Resources before presenting the permit application for approval to the county. Do apply if the applicant has obtained a written commitment of water service for the residences from a municipal or private water company designated a having an assured water supply.

**Comment:** AMWUA support

**Tracking Lists:** Municipal Utilities - Water, Community Development

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## HB2164 - Subsequent irrigation; non-expansion areas; procedures

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**Summary:** The circumstances that must exist for the Director of the Department of Water Resources to designate an area that is not included in an active management area as a subsequent irrigation non-expansion area are modified to include that there is insufficient groundwater to provide a "reasonably safe supply of irrigation" (defined) of the cultivated lands in the area at the reasonable projected rates of withdrawal, instead of at the current rates of withdrawal. In making the determination, the Director is allowed to consider credible evidence that indicates likely future changes to rates of withdrawal. Also modify procedure for the designation of a subsequent irrigation non-expansion area initiated by petition.

**Comment:** AMWUA support

**Tracking Lists:** Municipal Utilities - Water

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## HB2165 - Adequate water supply; statewide requirements

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**Summary:** Counties and municipalities are authorized to approve a subdivision plat only if the subdivider has obtained a water report from the Arizona Department of Water Resources (ADWR) that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water supply for the subdivision from a city, town or private water company designated as having an adequate water supply. The State Real Estate Commissioner authorized to issue a public report authorizing the sale or lease of subdivided lands only if the Director of ADWR has issued a water report that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply.

**Tracking Lists:** Municipal Utilities - Water, Community Development

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## HB2217 - Appropriation; brackish groundwater; studies; review (Water protection; technical correction)

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**Summary:** Appropriates \$50,000 from the general fund in FY2023-24 to the Arizona Department of Water Resources to review and update information contained in studies on the availability of brackish groundwater in Arizona. AS PASSED HOUSE

**Comment:** AMWUA monitor--for striker

**Tracking Lists:** Municipal Utilities - Water

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## HB2266 - Reporting; groundwater pumping; measuring

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**Summary:** A person who withdraws groundwater from a nonexempt well under any circumstances and in any location is required to use a water measuring device approved by the Arizona Department of Water Resources (ADWR) and to file an annual report to ADWR. Some exceptions. Information that must be included in the annual report to ADWR is specified.

**Comment:** AMWUA support

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**Tracking Lists:** Municipal Utilities - Water

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**HB2278 - Well drilling; groundwater basins.**

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**Summary:** Beginning on the effective date of this legislation, a person is prohibited from constructing and the Department of Water Resources is prohibited from issuing a permit or drilling card for a new well in the Upper San Pedro Groundwater Basin or the Verde Valley Groundwater Subbasin. Some excepti

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**Comment:** AMWUA monitor

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**Tracking Lists:** Municipal Utilities - Water

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**HB2323 - Water augmentation fund; brackish groundwater**

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**Summary:** For the purpose of qualifying for monies in the Long-Term Water Augmentation Fund, a water supply development project for the desalination and distribution of brackish or saline groundwater is deemed to be a water supply development project that imports water from outside the boundaries of (and therefore qualifies), without regard to whether the monies for the project are expended inside Arizona or whether the project imports water from the boundaries of Arizona.

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**Comment:** AMWUA monitor

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**Tracking Lists:** Municipal Utilities - Water

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**HB2372 - Colorado River water transfers; limit**

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**Summary:** A contract holder with a contract right in effect on January 1, 2023 for fourth priority Colorado River water available to satisfy entitlements in Arizona is not contracted for delivery through the Central Arizona Project is prohibited from transferring or otherwise conveying that claim for use of that water to a location or for use other than an agricultural, municipal, domestic, commercial or industrial use in a county in Arizona that is adjacent to the western l of Arizona before January 1, 2033 or until Lake Mead exceeds an elevation of 1,090 feet, whichever is later. Does not apply to the transfer of 2,033.0 feet of Colorado River water recommended for approval by the Director of the Arizona Department of Water Resources by letter to the United States of Reclamation on January 20, 2021.

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**Comment:** AMWUA monitor

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**Tracking Lists:** Municipal Utilities - Water

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**HB2376 - Agricultural land; foreign ownership; prohibition**

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**Summary:** Beginning from and after the effective date of this legislation, sales, leases, or subleases of state lands are prohibited from being made to a "foreign (defined). Leases or subleases of state lands are prohibited from being made to corporations or associations not qualified to transact business in Arizona. AS PASSED HOUSE

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**Comment:** AMWUA monitor

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**Tracking Lists:** Municipal Utilities - Water

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**HB2406 - Water treatment facilities; loan repayment**

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**Summary:** Counties and municipalities are no longer required to obtain voter approval to enter into a financial assistance loan repayment agreement with the W Infrastructure Finance Authority to finance wastewater treatment and drinking water treatment facilities.

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**Comment:** AMWUA support

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**Tracking Lists:** Municipal Utilities - Water

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**HB2411 - Grazing operations; energy projects; compensation (~~Water supply; elimination; reduction; damages~~)**

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**Summary:** If a city provides water to customers outside of the city's service area before January 1, 2023 and reduces or terminates that service on or after Janu 2023, the city is required to make the same reduction in or termination of the water supply to the Mayor and members of the City Council. If a city ter water service in these circumstances, the city is liable, with respect to the persons whose water was terminated, for fire damage to personal property problems incurred by children as the result of the termination, and attorney fees.

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**Comment:** AMWUA no position

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**Tracking Lists:** Municipal Utilities - Water

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**HB2438 - Board of supervisors; powers; water**

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**Summary:** County boards of supervisors are authorized to participate in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure.

**Comment:** AMWUA monitor

**Tracking Lists:** Municipal Utilities - Water

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### HB2442 - Temporary non-expansion area

**Summary:** Establishes a process for irrigation users or registered voters to petition the Arizona Department of Water Resources (ADWR) for the designation of a temporary non-expansion area in any location not included in an active management area or an irrigation non-expansion area. The question of whether to designate a temporary non-expansion area must be approved by a majority of the voters who reside inside the boundaries of the proposed area. If a temporary non-expansion area is established, only acres of land that were irrigated at any time during the preceding five years may be irrigated with groundwater, and ADWR is prohibited from authorizing the drilling of a well in the area.

**Comment:** AMWUA monitor

**Tracking Lists:** Municipal Utilities - Water

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### HB2443 - Navigable stream adjudication commission; extension

**Summary:** The statutory life of the Arizona Navigable Stream Adjudication Commission is extended four years to July 1, 2028.

**Comment:** AMWUA support

**Tracking Lists:** Municipal Utilities - Water

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### HB2448 - Appropriation; groundwater; Santa Rosa canal

**Summary:** Appropriates \$25 million from the general fund in FY2023-24 to the Arizona Department of Water Resources to distribute equally between the irrigation districts that are constructing infrastructure to support the settlement between the Maricopa-Stanfield Irrigation and Drainage District, the Central Arizona Irrigation and Drainage District, and the Ak-chin Indian Community with respect to the delivery of groundwater by the districts by means other than the Santa Rosa Canal.

**Comment:** AMWUA monitor

**Tracking Lists:** Municipal Utilities - Water

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### HB2535 - Private property; wells; regulation; prohibition

**Summary:** A well drilled with the consent of the well owner on private property in an unincorporated area is not subject to municipal regulation if the unincorporated area where the well is located is annexed by a municipality after the well has been drilled. With the consent of the building or structure owner, any building or structures that require water from a well drilled on private property in an unincorporated area cannot be required to connect to a municipal water system. AS PASSED HOUSE

**Comment:** AMWUA potential oppose

**Tracking Lists:** Municipal Utilities - Water

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### HB2561 - City water provider; requirements; service

**Summary:** A municipality that provides water service is required to provide water service through a standpipe for water hauling to persons residing outside the municipality's water service area who do not have access to sufficient water if a list of specified conditions apply, including that the municipality previously provided water service to those persons and there is no other source of water for those persons within 10 miles of their households. Self-repeals January 2026. Emergency clause.

**Tracking Lists:** Municipal Utilities - Water

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### HB2584 - Water tank; shared revenue; appropriation

**Summary:** For any city that before January 1, 2023 provides water to customers outside of the city's service area and that reduces or terminates that service on or after January 1, 2023, the State Treasurer is required to withhold and redistribute \$10 million in state shared revenues from the city in fiscal year 2023 to the Department of Emergency and Military Affairs (DEMA) for construction, installation and maintenance of a water tank with a capacity of at least 100,000 gallons. The water tank must be placed in the Rio Verde foothills area and DEMA is required to maintain the water tank and keep it filled for residential and fire protection as needed until a water provider establishes a water supply for persons in that area. Emergency clause.

**Tracking Lists:** Municipal Utilities - Water

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### HB2669 - Prohibition; biosolids; land application (Solid waste; sludge; water quality)

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**Summary:** Makes technical and clarifying changes to statutes relating to the Arizona Pollutant Discharge Elimination System Program.

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**Tracking Lists:** Municipal Utilities - Water

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### HB2731 - Local groundwater stewardship areas

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**Summary:** County boards of supervisors in a county with lands that are outside of an Active Management Area (AMA) are authorized to designate by resolution more groundwater basins, subbasins, or portions of those basins as a Local Groundwater Stewardship Area (LGSA) if a list of specified conditions exist, including that the use of groundwater exceeds the estimated recharge rate. The Director of the Arizona Department of Water Resources (ADWR) is authorized to designate an area that is not included within an AMA as an LGSA if the same specified conditions exist, and the establishment of an AMA is not necessary. Establishes a process for the board of supervisors and a process for the ADWR Director to designate an LGSA. An LGSA is required to be administered by a 9-member LGSA Council. Powers and duties of an LGSA Council are specified, including adopting an LGSA Plan for groundwater programs and policies for the LGSA. The ADWR Director is required to adopt rules governing the location of new wells and replacement wells in new locations in an LGSA. A county board of supervisors is prohibited from approving a final plat for a subdivision composed of subdivided lands that is located within an LGSA unless the ADWR Director has determined that there is an adequate water supply for the subdivision, and the subdivider has obtained a written commitment of water service for the subdivision from a municipal or private water company that is designated as having an adequate water supply by the ADWR Director. Establishes the ADWR Local Groundwater Stewardship Fund, to be administered by ADWR. ADWR is required to spend more from the Fund to implement and support LGSAs. Of the monies remaining in the State Lottery Fund each fiscal year after other statutory appropriations are made, \$50 million must be deposited in the Fund. More.

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**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### HB2763 - Appropriation; Mohave wash recharge basin

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**Summary:** Appropriates \$4.37 million from the general fund in FY2023-24 to the Arizona Department of Transportation to distribute to Mohave County to design and construct the Mohave Wash recharge basin.

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**Tracking Lists:** Municipal Utilities - Water

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### HB2793 - Water efficient plumbing fixtures

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**Summary:** Beginning January 1, 2024, a person is prohibited from distributing, selling or installing any plumbing fixture for use in Arizona in any new residential, commercial, industrial or public construction or for replacing plumbing fixtures in existing residential, commercial, industrial or public construction, unless the fixture is a "watersense-labeled plumbing fixture" (defined as a fixture that has been tested and certified under the U.S. Environmental Protection Agency's Watersense Program established under America's Water Infrastructure Act of 2018) or the fixture meets or exceeds the water efficiency criteria established by the Program. Some exceptions. Effective January 1, 2025.

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**Comment:** AMWUA potential support

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**Tracking Lists:** Municipal Utilities - Water

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### SB1079 - Water infrastructure finance authority; cities

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**Summary:** Municipalities are no longer required to obtain voter approval to enter into a financial assistance loan repayment agreement with the Water Infrastructure Finance Authority to finance wastewater treatment and drinking water treatment facilities.

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**Comment:** AMWUA support

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**Tracking Lists:** Municipal Utilities - Water

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### SB1090 - Groundwater pumping; foreign ownership; prohibition

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**Summary:** A corporation or other entity in which the government of another country has a "controlling interest" (defined) is not eligible to pump groundwater in Arizona.

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**Comment:** AMWUA monitor

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**Tracking Lists:** Municipal Utilities - Water

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### SB1093 - City water provider; service; requirements

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**Summary:** A municipality that provides water service is required to provide water service through a standpipe for water hauling to persons residing outside the municipality's water service area who do not have access to sufficient water if a list of specified conditions apply, including that the municipality previously provided water service to the persons.



water service to those persons and there is no other source of water for those persons within 10 miles of their households. Conditionally repealed on persons acquiring access to sufficient water supplies or on January 1, 2026.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1117 - Housing; infrastructure; regulation; administration (~~Municipal platting; technical correction~~)**

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to upend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-eve amendment is language that completely replaces the bill language that was initially introduced.)

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**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Service

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### **SB1223 - Water infrastructure; commerce grant fund**

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**Summary:** Modifies eligibility for grants from the Water Infrastructure and Commerce Grant Fund to apply to projects that begin after January 1, 2023, instead of and to require the grants to be allocated and distributed by December 31, 2025, instead of 2024. Appropriates \$8 million from the general fund in FY 24 to the Fund.

**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1257 - Water resources; assistant director**

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**Summary:** The Director of the Arizona Department of Water Resources is required to appoint an Assistant Director whose exclusive duties are coordinating with Water Infrastructure Finance Authority of Arizona and water users regarding projects that will augment water supplies through importation of water to Arizona from outside Arizona and projects that will increase Arizona's in-state water storage capacity. AS PASSED SENATE

**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1306 - Local groundwater stewardship areas.**

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**Summary:** County boards of supervisors in a county with lands that are outside of an Active Management Area (AMA) are authorized to designate by resolution more groundwater basins, subbasins, or portions of those basins as a Local Groundwater Stewardship Area (LGSA) if a list of specified conditions exist, including that the use of groundwater exceeds the estimated recharge rate. The Director of the Arizona Department of Water Resources (ADWR) is authorized to designate an area that is not included within an AMA as an LGSA if the same specified conditions exist, and the establishment of an AMA not necessary. Establishes a process for the board of supervisors and a process for the ADWR Director to designate an LGSA. An LGSA is required administered by a 9-member LGSA Council. Powers and duties of an LGSA Council are specified, including adopting an LGSA Plan for groundwater programs and policies for the LGSA. The ADWR Director is required to adopt rules governing the location of new wells and replacement wells in new locations in an LGSA. A county board of supervisors is prohibited from approving a final plat for a subdivision composed of subdivided lands that is located within an LGSA unless the ADWR Director has determined that there is an adequate water supply for the subdivision, and the subdivider has obtained written commitment of water service for the subdivision from a municipal or private water company that is designated as having an adequate water supply by the ADWR Director. Establishes the ADWR Local Groundwater Stewardship Fund, to be administered by ADWR. ADWR is required to spend more of the Fund to implement and support LGSAs. Of the monies remaining in the State Lottery Fund each fiscal year after other statutory appropriations are deposited, \$50 million must be deposited in the Fund. More.

**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1390 - Water infrastructure finance authority; amendments**

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**Summary:** Various changes to statutes relating to the Water Infrastructure Finance Authority (WIFA). WIFA is not a public service corporation subject to regulation by the Arizona Corporation Commission. The WIFA Board is authorized to prescribe the terms and conditions of the Director's and staff's employment as necessary, and is required to adopt written policies and guidelines regarding employee compensation and leave. WIFA employees may participate in Arizona State Retirement System. The definition of "eligible entity" for loans from the Water Supply Development Revolving Fund is modified to mean a water provider that distributes or sells water outside of the boundaries of an initial active management area in which part of the Central Arizona Project aqueduct is located, instead of outside of the boundaries of an active management area located in Maricopa, Pima, or Pinal County. More. AS PASSED SENATE

**Comment:** AMWUA potential support

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1391 - Department of environmental quality; counsel**

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**Summary:** The Arizona Department of Environmental Quality (ADEQ) is exempt from the prohibition on employing legal counsel or making an expenditure for legal services other than the Attorney General. ADEQ is authorized to employ attorneys to represent ADEQ.

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**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1432 - Assured water; small residential developments..**

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**Summary:** A person seeking a building permit for six or more residences within an active management area in an unincorporated area of a county is required to obtain a certificate of assured water supply from the Arizona Department of Water Resources before presenting the permit application for approval to the county. Does not apply if the applicant has obtained a written commitment of water service for the residences from a municipal or private water company designated as having an assured water supply.

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**Tracking Lists:** Municipal Utilities - Water, Community Development

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### **SB1438 - Active management; non-expansion area; fees**

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**Summary:** Exempts the Arizona Department of Water Resources from the rulemaking requirements of the Administrative Procedures Act for one year for the purpose of reducing fees for an application for a certificate of grandfathered right in an active management area that is established after January 1, 2022, and for an application for a notice of authority to irrigate land in an irrigation non-expansion area that is established after January 1, 2022. Emergency clause.

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**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1439 - State lands; leases; groundwater use**

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**Summary:** The State Land Department is required to establish by rule and collect an annual groundwater withdrawal fee from each lessee of state land that is agricultural land located outside of an active management area or an irrigation non-expansion area for the irrigation use of groundwater. Establishes reporting requirements for the lessees. Contains a legislative intent section.

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**Comment:** AMWUA potential support

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1440 - Drinking water standards; pollutants**

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**Summary:** The Arizona Department of Environmental Quality (ADEQ) is required to establish drinking water aquifer water quality standards for a list of specified pollutants. Information that ADEQ must review when developing the standards is listed. The standards are required to be protective of public health, including vulnerable subpopulations such as pregnant women, nursing mothers, infants and children.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1446 - Groundwater pumping; measuring; reporting**

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**Summary:** A person who withdraws groundwater from a nonexempt well under any circumstances and in any location is required to use a water measuring device approved by the Arizona Department of Water Resources (ADWR), maintain records of the withdrawals, and file an annual report to ADWR with specific information on the withdrawals. Some exceptions.

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**Comment:** AMWUA support

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1447 - Well drilling; groundwater basins**

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**Summary:** Beginning on the effective date of this legislation, a person is prohibited from constructing and the Arizona Department of Water Resources is prohibited from issuing a permit or drilling card for a new well in the Upper San Pedro Groundwater Basin or the Verde Valley Groundwater Subbasin. Some exceptions.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1448 - Subsequent active management area; designation**

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**Summary:** The Director of the Arizona Department of Water Resources is required, instead of allowed, to designate an area that is not included within an initial management area as a subsequent active management area if the Director determines that any of a list of specified circumstances exist.

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**Comment:** AMWUA potential monitor

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1450 - Adequate water supply; statewide requirements.**

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**Summary:** Counties and municipalities are authorized to approve a subdivision plat only if the subdivider has obtained a water report from the Arizona Department of Water Resources that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water service for subdivision from a city, town or private water company designated as having an adequate water supply. The State Real Estate Commissioner is authorized to issue a public report authorizing the sale or lease of subdivided lands only if the Director has issued a water report that there is an adequate water supply for the subdivision or the subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an adequate water supply.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1469 - Appropriation; Page; water infrastructure projects**

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**Summary:** Appropriates \$41.9 million from the general fund in FY2023-24 to the Arizona Department of Water Resources to distribute to the City of Page for special water infrastructure projects.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1520 - Wells; spacing; permits**

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**Summary:** The Arizona Department of Water Resources (ADWR) is required to adopt rules governing the location of new wells and replacement wells in new locations in groundwater basins that ADWR determines to be experiencing declining groundwater levels, for all wells without regard to pump capacity.

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**Comment:** AMWUA support

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1521 - Exempt wells; metering; reporting**

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**Summary:** Wells with a maximum capacity of up to 35 gallons per minute are no longer exempt from the groundwater code beginning January 1, 2033 if the person who withdraws groundwater from the well installs a water measuring device that complies with rules adopted by the Arizona Department of Water Resources (ADWR), maintains current accurate records, and files annual reports with ADWR. The person who withdraws the groundwater must install a water measuring device, maintain the records and file the annual reports beginning not later than January 1, 2025. Wells with a maximum capacity of up to 35 gallons per minute that do not meet these requirements are no longer exempt from the groundwater code beginning January 1, 2028.

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**Tracking Lists:** Municipal Utilities - Water

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### **SB1651 - Water; energy; financing program.**

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**Summary:** Counties and municipalities are authorized to provide for or allow the construction, installation or modification of critical capital expenditure improvement projects, energy efficiency improvements, renewable energy improvements or resiliency improvements on qualifying property by establishing a "C-PACE Program" (defined). Establishes a new chapter in Title 49 (Environment) establishing and regulating the Commercial Property Assessed Capital Expenditure Financing Program (C-PACE Program). To establish a C-PACE Program, a governing body is required to adopt a resolution or ordinance to do so, after a public hearing to consider establishing the Program. Local program authorities are authorized to enter into special assessment agreements with property owners to secure special assessment financing for C-PACE Program projects. Provides for the imposition and collection of special assessments. Modifies the definition of "critical infrastructure" to include energy efficiency improvements, renewable energy improvements or resiliency improvements.

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**Tracking Lists:** Municipal Utilities - Water, Sustainability & Resilience

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### **SB1658 - Critical infrastructure; prohibited agreements**

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**Summary:** A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) with a company if the company would be able to access or control critical infrastructure in Arizona, except for access that is specifically allowed for product warranty and support purposes, and if the company is owned by or controlled by citizens of China, Iran, North Korea or Russia, or by a company or other entity that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea or Russia, or that is headquartered in China, Iran, North Korea or Russia. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona.

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**Tracking Lists:** Municipal Utilities - Water, Finance Budget Procurement Audit, Engineering and Transportation

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### **SB1660 - Water; effluent; credits**

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**Summary:** If a water and wastewater service provider that holds a certificate of convenience and necessity for the service area in which an industrial processing facility is located cannot or does not accept the entire discharging capacity of an otherwise lawful industrial processing facility, the industrial processing facility is authorized to construct and operate an on-site wastewater treatment facility for some or all of its wastewater. After treatment by the on-site wastewater treatment facility, the industrial processing facility is authorized to discharge its effluent to a constructed underground storage facility.

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**Comment:** Oppose. AMWUA oppose

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**Tracking Lists:** Municipal Utilities - Water

# Neighborhoods

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## HB2047 - Vacation rentals; short-term rentals; restrictions

**Summary:** A municipality with a population of less than 17,000 persons is allowed to limit the number of vacation rentals and short-term rentals based on a percentage of total residentially zoned buildings or structures in that municipality, and is allowed to regulate vacation rentals or short-term rentals in the same manner as transient lodging activities.

**Tracking Lists:** Neighborhoods, Community Development

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## HB2251 - Condominiums; insurance coverage; claims

**Summary:** Condominium associations are required to maintain property insurance on the units if required by the condominium documents. Each unit owner has the right to report a loss under the association's property insurance policy. Prior to reporting a loss under the association's property insurance policy, a unit owner is required to report the loss to the association and give the association five business days to decide whether the association will report a claim master carrier to pay for the association's portion of the loss without reporting a claim. AS PASSED HOUSE

**Tracking Lists:** Neighborhoods

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## HB2301 - Homeowners' associations; political activity

**Summary:** Condominium associations and planned community associations are authorized to prohibit a person who is not accompanied by a member or reside in the community from entering the community if the community restricts vehicular or pedestrian access. AS PASSED HOUSE

**Tracking Lists:** Neighborhoods

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## HB2335 - Cat declawing; prohibition; exceptions.

**Summary:** A veterinarian is allowed to perform a "declawing," "onychectomy" or "tendonectomy" (all defined) of a cat only if the veterinarian is licensed and the procedure is for a "therapeutic purpose" (defined). A veterinarian who performs any of these procedures is required to keep a record for at least four years with specified information. Violations are subject to a civil penalty of \$1,000 for a first violation and \$1,500 for a second or subsequent violation.

**Tracking Lists:** Neighborhoods, CAO

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## HB2340 - Pet dealers; state preemption; repeal

**Summary:** Repeals statute prohibiting local regulations or ordinances that impose requirements on pet dealers in excess of state law or that prohibit the sale of cats by a pet store or pet dealer.

**Tracking Lists:** Neighborhoods, CAO

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## HB2520 - Home sales; water supply disclosure

**Summary:** Beginning January 1, 2024, a subdivider who sells one or more lots in a subdivision located outside of an active management area is required to record with the county recorder a document that contains a statement of water adequacy or inadequacy for that subdivision.

**Tracking Lists:** Neighborhoods

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## HB2590 - Seller disclosure; water; solar; batteries (Real-estate disclosures; water; solar)

**Summary:** If property being sold is served by a water supply that requires the transportation of water to the property, the seller's affidavit of disclosure is required to disclose the contact information of the water hauling company providing those services and the name and location of the water supply from which the water is being transported. A seller's affidavit of disclosure is required to include whether or not the property has battery energy storage devices that are leased, owned, and if leased, the contact information of the leasing company. AS PASSED HOUSE

**Comment:** AMWUA potential support

**Tracking Lists:** Neighborhoods

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## HB2607 - Meetings; homeowners' associations

**Summary:** The members of a homeowner's association or the unit owners of a condo association are allowed to call a special meeting to remove a member of the association board.

**Tracking Lists:** Neighborhoods

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## HB2758 - Vacation rentals; short-term rentals; regulation

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**Summary:** Counties and municipalities may deny a permit or license to operate a vacation rental or short-term rental if a previous owner of the property had a suspended permit or license or has outstanding civil penalties for the same vacation rental or short-term rental property. Counties and municipalities authorized to suspend a permit or license to operate a vacation rental or short-term rental if an owner or owner's designee knowingly or intentionally : the use of the rental for nonresidential use or avoids paying transaction privilege tax for bookings made without the use of an online lodging marketp that is registered with the Arizona Department of Revenue. Modifies the definition of "vacation rental" or "short-term rental" to limit the number of day year the house or unit may be offered for transient use.

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**Tracking Lists:** Neighborhoods

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### HCR2011 - Vacation rentals; short-term rentals

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**Summary:** The 2024 general election ballot is to carry the question of whether to repeal statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and restricting the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals. Statute entitling a property owner to just compensation from the state or a political subdivision that enacts a land use law that reduces the existing right to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

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**Tracking Lists:** Neighborhoods, Community Development

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### SB1034 - Homeowners' associations; flag ban; prohibition

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**Summary:** Condominium associations and homeowners' associations cannot prohibit the outdoor display of any flag unless the flag is obscene, defamatory, or incite violence.

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**Tracking Lists:** Neighborhoods

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### SB1049 - Homeowners' associations; Betsy Ross flag

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**Summary:** Homeowners' associations and condo associations cannot prohibit the outdoor display of any historic version of the American flag, including the "Betsy Ross flag" (defined), without regard to how the stars and stripes are arranged on the flag.

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**Tracking Lists:** Neighborhoods

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### SB1116 - Political signs; public roadways; prohibition

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**Summary:** A person is prohibited from placing a political sign in or on the right-of-way of a public road.

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**Tracking Lists:** Neighborhoods, CAO, Clerk and Elections, Community Development

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### SB1117 - Housing; infrastructure; regulation; administration (~~Municipal platting; technical correction~~)

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**Summary:** Minor change in Title 9 (Cities and Towns) related to municipal platting. Apparent striker bus.

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**Comment:** Oppose. Failed on Senate floor. Can be reconsidered, monitor. Proposed amendment language does not solve issues. Striker includes problematic preemption language akin to last session's HB 2674, which sought to upend the city's voter-approved General Plan and building safety, density, plan and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-eve amendment is language that completely replaces the bill language that was initially introduced.)

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**Tracking Lists:** Neighborhoods, Municipal Utilities - Water, CAO, Community Development, Engineering and Transportation, Community Health and Human Services

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### SB1122 - Transportation tax; election; Maricopa county

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**Summary:** If approved by the voters at a countywide election, a county with a population of 3 million or more persons (Maricopa) is required to levy a tax of up to 1 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 15 years. Specifies the distribution of net revenue from the tax levy, with 80 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, and 20 percent of revenues distributed to the Regional Area Road Fund for major arterial streets. Beginning January 1, 2026, a regional public transportation authority is established in a county with a population of 3 million or more persons that approves a county transportation excise tax.

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**Comment:** Oppose. Does not reflect the regional transportation plan that was unanimously approved by the elected representatives of the entities in Maricopa County.

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**Tracking Lists:** Neighborhoods, CAO, Engineering and Transportation, Economic Development

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### SB1162 - Home-based businesses; restrictions; prohibition

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**Summary:** A home-based business must be allowed as a use by right if the home-based business does not supersede any deed restriction, covenant or agreement restricting the use of land, a master deed or any other document applicable to a common interest ownership community. Counties and municipalities prohibit a "no-impact home-based business" (defined) or require a person to apply for, register, or obtain a permit, license, variance or other type of municipal approval to operate a no-impact home-based business. Counties and municipalities are authorized to establish reasonable regulations on

home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety and ensuring that the business activity is compatible with residential use of the property. AS PASSED SENATE

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**Comment:** Oppose. Preemption bill on local decision-making affecting neighborhoods.

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**Tracking Lists:** Neighborhoods, CAO, Community Development, PD, FMR

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### **SB1336 - Municipal boards; members; training**

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**Summary:** Beginning January 1, 2024, any member of a municipal planning commission, zoning commission, combined planning and zoning commission, village planning committee, design review committee, and zoning board of adjustment and appeals is required to complete at least four hours of training. Members serving before January 1, 2024 are required to complete the required training by January 1, 2025 and to complete an additional four hours of training every other year after. Members appointed on or after January 1, 2024 are required to complete the required training by one year after the member's appointment and to complete an additional four hours of training every other year after. By January 1, 2024, the Arizona Department of Housing is required to establish guidelines for the training, which must include a specified list of information. Any member who does not complete the training must be removed from the member's appointment.

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**Tracking Lists:** Neighborhoods, CAO, Community Development, Community Health and Human Services

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### **SB1384 - Homeowners' associations; annual meeting**

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**Summary:** For all homeowners' association and condo association directors' elections, cumulative voting is prohibited, nominations from the floor are prohibited and the names of all eligible candidates nominated for the board of directors must appear on the ballot. For any meeting at which the election of directors and for the annual meeting, the quorum requirement is 1/10 of the total number of votes entitled to be cast unless the homeowners' association or condo association documents specify a lesser amount. Homeowners' association or condo association votes cannot be cast by proxy but may be cast by all ballots, and the process for absentee ballot voting is specified.

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**Tracking Lists:** Neighborhoods

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### **SB1387 - Homeowner's associations; board duties; indemnification**

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**Summary:** Homeowners' associations and condo associations (HOAs), through the board of directors, have a duty to the members or unit owners to act with the care of an ordinarily prudent person in a like position would exercise under similar circumstances in managing and maintaining the common property and in protecting and managing the financial assets and affairs of the HOA, to treat members fairly, and to act reasonably in the exercise of discretionary powers. The directors and officers of an HOA have a duty to the HOA to act in good faith, in compliance with statute and the community documents, and to use ordinary care and prudence in performing their functions. The HOA and its directors and officers are indemnified from any liability for any action taken in good faith and in compliance with these requirements. A legislative intent section states that these changes are intended to clarify and do not provide any substantive change in the law.

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**Tracking Lists:** Neighborhoods

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### **SB1456 - Homeowners' associations; records requests**

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**Summary:** Establishes a specific list of records that homeowners' associations and condo associations are required to make reasonably available to a member or owner on request, including financial statements and accounts, the operating budget, current contracts, and current insurance policies. Establishes requirements for a request to examine association records.

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**Tracking Lists:** Neighborhoods

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### **SB1470 - Homeowners' association liens; homestead exemptions**

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**Summary:** A homeowners' association or condo association lien is subject to the homestead exemption.

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**Tracking Lists:** Neighborhoods

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### **SB1497 - Vacation rentals; diminution in value**

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**Summary:** Repeals statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and limiting the restrictions that municipalities and counties may place on those rentals to a list of specified purposes. Statute entitling a property owner to just compensation from the state or a public subdivision if the existing property rights are reduced by the enactment of a land use law enacted after the date the property is transferred to the owner. The action reduces the fair market value of the property does not apply to land use laws that regulate a vacation rental or short-term rental.

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**Tracking Lists:** Neighborhoods

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### **SCR1032 - Short-term rentals; vacation rentals.**

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**Summary:** The 2024 general election ballot is to carry the question of whether to repeal statutes prohibiting municipalities and counties from prohibiting vacation rentals or short-term rentals and restricting the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals.

Statute entitling a property owner to just compensation from the state or a political subdivision that enacts a land use law that reduces the existing right of use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

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**Tracking Lists:** Neighborhoods



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## HB2004 - Vehicle accidents; financial responsibility

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**Summary:** When the Arizona Department of Transportation (ADOT) verifies the financial responsibility of the owner of a motor vehicle involved in an accident in Arizona, ADOT cannot suspend the driver license or registration privilege of the person appearing as the registered owner of the vehicle in ADOT records if the person is able to provide proof the vehicle was sold before the accident "occurred," instead of before "the date of the accident."

**Tracking Lists:** PD

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## HB2015 - Retirement plans; plan election; rehire

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**Summary:** For the Public Safety Personnel Retirement System and Corrections Officer Retirement Plan, if an eligible employee who was already a member of the system is subsequently rehired after a bona fide termination of employment of at least six months with no prearranged reemployment agreement or hired by a new employer, the employee is allowed to make a new election to participate in either the regular plan or the defined contribution plan before the 90th day after the date of hire. If the employee does not make a new election in that time, the employee's previous election continues. Previously, once an employee made an election, that election was irrevocable for the remainder of the employee's employment with any employer under the system, regardless of whether the employee's employment was continuous. AS PASSED HOUSE

**Tracking Lists:** HR, PD, FMR

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## HB2017 - Public officers; residency requirements

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**Summary:** The deputy or assistant of an elected officer of Arizona is not required to be an Arizona resident, but is required to be a U.S. citizen.

**Tracking Lists:** PD

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## HB2058 - Flight from law enforcement; classification

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**Summary:** Increases the criminal classification of unlawful flight from a pursuing law enforcement vehicle to a class 2 (second highest) felony, from a class 5 (second lowest) felony.

**Tracking Lists:** PD

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## HB2059 - Riot; unlawful assembly; classification; liability

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**Summary:** Establishes the crime of aggravated riot, a class 3 (upper mid-level) felony, if a person, in the course of committing a riot, participates with 25 or more persons, causes serious physical injury to another person who is not participating in the riot, causes property damage in excess of \$5,000, displays, threatens to use, or attempts to use a deadly weapon, or, by force or by the threat of force, endangers the safe movement of a motor vehicle traveling on a public street. Establishes the crime of mob intimidation, a class 1 (highest) misdemeanor, if a person, assembled with two or more other persons and with common intent, uses force or threatens to use imminent force to compel or attempt to compel another person to do or refrain from doing any act, or to assume, abandon or maintain a particular viewpoint against the person's will. The list of circumstances under which assault is classified as aggravated assault, a class 6 (lowest) felony, is expanded to include if the person commits the assault on a peace officer in the furtherance of a riot or unlawful assembly. A person convicted of aggravated assault on a peace officer in these circumstances must be sentenced to serve no less than the minimum sentence and is not eligible for probation or suspension of execution of sentence until the entire sentence is served. Burglary committed during a riot is classified as burglary in the first degree. The criminal classification of abuse of venerated objects by desecrating any public monument, memorial, or property of a public park is increased to a class 6 (lowest) felony, from a class 2 (mid-level) misdemeanor. A person who is convicted of any offense that is committed in furtherance of a riot or an unlawful assembly must be sentenced to the next higher class of offense than that for which the person is convicted. A municipality has a duty to allow a law enforcement agency to respond appropriately to protect persons and property during a riot or unlawful assembly based on the availability of adequate equipment to its city and town law enforcement officers and relevant state and federal laws. If a municipal governing body or a person who is authorized by the municipal governing body breaches that duty, the municipality is liable in a civil action for any damages, including damages arising from personal injury, wrongful death or property damages proximately caused by the breach of duty.

**Comment:** Dead

**Tracking Lists:** PD

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## HB2070 - Emergency response plans; community engagement

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**Summary:** Charter school governing bodies are required to develop, in conjunction with local law enforcement agencies and emergency response agencies, an emergency response plan for each school site that meets minimum standards developed by the Arizona Department of Education and the Department of Emergency and Military Affairs Division of Emergency Management. School district governing boards and charter schools are required to solicit input from students, parents, teachers, and other school employees when developing an emergency response plan.

**Tracking Lists:** PD, FMR

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### HB2080 - Emergency alert technology; vehicles; devices

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**Summary:** Beginning January 1, 2025, all new motor vehicles and portable wireless communication devices sold in Arizona are required to contain "emergency technology" (defined).

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**Tracking Lists:** IT, PD, FMR

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### HB2169 - Sexual conduct; minor; classification; sentence

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**Summary:** The criminal classification of sexual conduct with a minor who is at least 15 years of age is increased to a class 4 (lower mid-level) felony, from a class 3 (lowest) felony, if the person is older than 20 years of age at the time of the offense. If a convicted person is placed on probation, the person is required to be sentenced to serve one year in jail. AS PASSED HOUSE

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**Tracking Lists:** PD

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### HB2170 - Provisional concealed weapons permit

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**Summary:** The Department of Public Safety (DPS) is required to issue a provisional concealed weapons permit to carry a concealed weapon to a person who is at least 18 years of age and under 21 years of age and who is otherwise qualified. The person is required to carry the provisional permit at all times when the person is in actual possession of the concealed weapon and must present the permit for inspection to any law enforcement officer on request. Establish eligibility requirements for a provisional permit, including passing a background check and demonstrating competence with a firearm. On the 21st birthday of a person who has a valid provisional concealed weapons permit, DPS is required to issue a concealed weapons permit. Effective July 1, 2024.

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**Tracking Lists:** PD

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### HB2212 - Criminal damage; trespassing; critical facilities

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**Summary:** The definition of aggravated criminal damage is expanded to include interfering with or otherwise preventing the performance of a normal function of utility infrastructure or property or the intended course or path of any utility service. The classification for aggravated criminal damage under these circumstances is a class 5 (second-lowest) felony, except that the classification increases for damages greater than \$1,500. AS PASSED HOUSE

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**Tracking Lists:** PD

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### HB2223 - Liquor; licensing; processes; procedures

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**Summary:** Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary microbrewery festival liquor license that authorizes the sampling of the microbrewery products on the festival premises and the sale of products for consumption on the festival premises. A microbrewery festival location must be approved by the county board of supervisors or municipal governing authority as applicable. Increases the maximum value of promotional items furnished by a liquor wholesaler to a retailer in a calendar year to \$700, from \$500. Beginning with tax periods that begin January 1, 2024 and after, allows specified liquor licensees to pay luxury privilege taxes on an annual basis instead of a monthly basis. A liquor licensee that has off-sale privileges and that delivers spirituous liquor is required to complete a written record of each delivery at the time of delivery. Information that must be included in the written record is listed. The licensee is required to obtain the name, date of birth, and signature of the individual who accepts the delivery of spirituous liquor. AS PASSED HOUSE

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**Comment:** Potential opportunity for amending language

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**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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### HB2226 - Appropriation; fentanyl prosecution; testing; fund

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**Summary:** Appropriates \$5 million from the general fund in FY2023-24 to the newly established Fentanyl Prosecution and Testing Fund, to be allocated on a first-come, first-served basis to county attorneys, county sheriffs, and courts to reimburse costs related to fentanyl prosecutions, and to law enforcement agencies to reimburse costs related to fentanyl testing. AS PASSED HOUSE

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**Tracking Lists:** PD

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### HB2293 - Liquor; purchase; identification

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**Summary:** The list of types of identification that a liquor licensee may accept as proof of the legal drinking age is expanded to include a valid unexpired border crossing card issued by the U.S. government that contains a photograph of the person and the person's date of birth.

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**Tracking Lists:** PD

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### HB2297 - Fraudulent schemes; artifices; jurisdiction

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**Summary:** In a prosecution for a violation of fraudulent schemes and artifices, the state is not required to establish that all of the acts that constitute a violation occurred in Arizona or within a single local jurisdiction in Arizona. It is not a defense that not all of the acts that constitute a violation occurred in Arizona.

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within a single local jurisdiction within Arizona.

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Tracking Lists: PD

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### HB2302 - Misdemeanor expungement; requirements; procedure

**Summary:** Beginning January 1, 2024, a person who is convicted of a misdemeanor is allowed to petition the convicting court for an expungement of the record conviction. Some exceptions. After a hearing on the petition, if the judge believes that justice will be served, the judge is required to order that all records of the person's conviction that are in the custody of the court be sealed with accompanying justification and must deliver a copy of the order to all law enforcement agencies and courts. The order must require that all law enforcement agencies and courts not release copies of the records to any person except on order of the court. Unless otherwise provided by law, a person who receives an expungement for a conviction is allowed to respond to any matter as though the conviction did not exist. AS PASSED HOUSE

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Tracking Lists: PD

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### HB2309 - Law enforcement; sovereign authority (~~Sovereign authority; law enforcement~~)

**Summary:** On demand by the Legislature, either house of the Legislature, or any member of the Legislature, the Attorney General is required to render a written opinion to determine the constitutionality of any federal law, treaty, order, rule, regulation, action, or program that is alleged to be inconsistent with or contrary to the authority of state or local law enforcement agencies. The laws of Arizona are required to be interpreted and construed to protect Arizona's sovereign authority against federal actions. Any law, treaty, executive order, rule, or regulation of the U.S. government that has been found by the U.S. Supreme Court or Arizona Supreme Court to violate Article II, Section 3 of the state Constitution or the 10th amendment to the U.S. Constitution is null and unenforceable in Arizona. AS PASSED HOUSE

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Tracking Lists: CAO, PD

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### HB2321 - Adverse actions; religious; political beliefs

**Summary:** A "government agent" (defined) is prohibited from "taking or participating in an adverse action" (defined as investigating, prosecuting, or similar action against any natural person if the government agent's decision to do so is motivated in whole or in part by an "unlawful animus" (defined as a disagreement with or dislike of a person's religious or political beliefs, positions, associations, or expression), even if that natural person would otherwise properly be the subject of the adverse action. No court in Arizona has jurisdiction over an adverse action brought in violation of this prohibition. All judgments and decisions rendered in violation of this prohibition shall be set aside. Any evidence obtained pursuant to a search or seizure that is in violation of this prohibition is inadmissible in any administrative, civil or criminal proceeding. An arrest that is made in violation of this prohibition is invalid. If a government agent violates this prohibition, the person whose rights are violated is authorized to bring a cause of action in state or federal court against both the government agent and the government entity that employs or contracts with the government agent, except that the state is not subject to a suit in federal court. Contains legislative findings.

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Tracking Lists: CAO, PD

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### HB2394 - Firearms; sovereign authority

**Summary:** The state of Arizona and all political subdivisions are prohibited from using any personnel or financial resources to enforce, administer or cooperate in the collection of a tax, levy, fee or stamp imposed on firearms, firearm accessories or ammunition not common to all other goods and services and that might reasonably be expected to create a chilling effect on the purchase or ownership of those items by law-abiding citizens.

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Tracking Lists: PD

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### HB2418 - Police response time; study committee (~~Law enforcement; response times; requirements~~)

**Summary:** Establishes a 13-member Police Response Time Study Committee to solicit ideas and recommendations to maintain or improve emergency call response times and critical law enforcement staffing shortages in Arizona. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by December 21, 2023, and self-repeals July 1, 2024. Emergency clause. AS PASSED HOUSE

**Comment:** Held in Military Affairs and Public Safety Committee 2/6/23. Problematic language, preempts local decision-making, unclear sources of metrics

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Tracking Lists: PD, Finance Budget Procurement Audit

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### HB2419 - Moving violations; injured pedestrians; penalties

**Summary:** Increases the penalty for causing serious physical injury or death by a moving traffic violation if the violation results in death to a pedestrian, motorcycle operator, or bicyclist to at least one year suspension of the person's driving privilege, instead of 180 days to one year, for a first violation, and to at least 180 days' suspension of the person's driving privilege, instead of one year, for a second violation. Increases the criminal classification for causing serious physical injury or death by a moving traffic violation if the violation results in serious physical injury to a pedestrian, motorcycle operator, or bicyclist, from a class 6 (lowest) felony, instead of a class 1 (highest) misdemeanor, subject to a fine of at least \$1,500 and at least 30 days of house arrest. Increases the criminal classification for causing serious physical injury or death by a moving traffic violation if the violation results in the death of a pedestrian, motorcycle operator, or bicyclist, to a class 5 (second-lowest) felony, instead of a class 1 (highest) misdemeanor, subject to a fine of at least \$5,000 and at least 30 days of house arrest.

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Tracking Lists: PD

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### HB2427 - Domestic violence; pregnant victim; sentencing

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**Summary:** The list of circumstances under which assault is classified as aggravated assault, a class 3 (upper mid-level) felony, is expanded to include if the perpetrator commits the assault knowing or having reason to know that the victim is pregnant and there is a domestic relationship (defined elsewhere in statute) between the person and the victim. If a person is convicted of a domestic violence offense and the victim was pregnant at the time of the commission of the offense, the court is required to increase the sentence by up to five years, instead of two years. AS PASSED HOUSE

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Tracking Lists: PD

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### HB2482 - Appropriations; crime victim notification fund.

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**Summary:** Appropriates \$7.6 million from the general fund in FY2023-24 to the Law Enforcement Crime Victim Notification Fund. Expands the types of software that may be purchased by law enforcement agencies using monies from the Fund. Appropriates \$400,000 from the general fund in FY2023-24 to the State Treasurer to evaluate, certify, and pay for any costs associated with the Fund. Also establishes a 9-member Sexual Assault Kit Study Committee to evaluate the feasibility of providing crime victims with a tracking system for sexual assault forensic examination kits. The Committee is required to submit a report to the Legislature by December 1, 2023, and self-repeals January 3, 2024. AS PASSED HOUSE

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Tracking Lists: PD, Community Health and Human Services

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### HB2484 - Failure to return vehicle; repeal.

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**Summary:** Repeals the crime of unlawful failure to return a motor vehicle subject to a security interest, a class 6 (lowest) felony.

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Tracking Lists: PD

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### HB2544 - Arizona manufactured; modified firearms

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**Summary:** A personal firearm, a firearm accessory or ammunition that is "modified" (defined) in Arizona and that remains within the borders of Arizona is not subject to federal law or federal regulation, including registration, under the authority of the U.S. Congress to regulate interstate commerce and is not considered to have traveled in interstate commerce.

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Tracking Lists: PD

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### HB2617 - Carrying of firearms; constables

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**Summary:** A constable or deputy constable, while on duty or off duty, who is not suspended from duty or charged with a felony offense and who is either certified by the Arizona Peace Officer Standards and Training Board (AZPOST Board) or completes firearms training approved by the AZPOST Board, maintains an active firearms proficiency, undergoes a psychological examination, and either possesses a valid concealed weapons permit or completes a background investigation approved by the AZPOST Board cannot be prohibited from carrying a firearm except under a list of specified circumstances where all peace officers may be prohibited from carrying a firearm. Does not create a liability for the county unless the constable is performing official duties or is contracted to act as a peace officer to protect life or property. AS PASSED HOUSE

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Tracking Lists: PD

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### HB2619 - Watercraft; boating; regulations

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**Summary:** Every motorized watercraft is required to be equipped with a functioning sound-producing device capable of producing a sound audible for one-half mile, not including the human voice alone. A person operating a "power-driven watercraft" (defined) is required to use an engine cutoff switch link when operating the power-driven watercraft at or above displacement speed. Some exceptions. Deletes the requirement for a person who operates a personal watercraft that is equipped by the manufacturer with a lanyard type engine cutoff switch to attach the lanyard to his body, clothing or personal flotation device.

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Tracking Lists: PD, Community Services

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### HB2630 - Tobacco; alternative nicotine; vapor products

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**Summary:** Retail tobacco vendors are prohibited from selling "alternative nicotine products," "tobacco products," or "vapor products" (all defined) to persons under 21 years of age. If a person reasonably appears to be under 30 years of age, a retail tobacco vendor is prohibited from not selling tobacco products, alternative nicotine products or vapor products to the person without first examining the person's government-issued photo identification to establish that the person is at least 21 years of age. Every retailer that sells or offers to sell tobacco products, alternative nicotine products or vapor products to consumers in Arizona is required to register each retail location with the Arizona Department of Revenue (ADOR) on a form and in a manner prescribed by ADOR. The registration shall be accompanied by an annual fee in an amount to be determined by the ADOR Director. Beginning January 1, 2024, a retailer is prohibited from selling tobacco products, alternative nicotine products or vapor products in Arizona unless the retailer has registered with ADOR, has paid all applicable fees, and is in compliance with all rules adopted by ADOR. Establishes penalties for violations. Severability clause. Effective January 1, 2024.

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**Comment:** Failed in committee

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**Tracking Lists:** CAO, PD, Economic Development

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### HB2632 - Appropriation; simulators; law enforcement; probation

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**Summary:** Appropriates \$1.67 million from the Peace Officer Training Equipment Fund in FY2023-24 to the State Treasurer, and requires the State Treasurer to distribute \$300,000 each to the Flagstaff Police Department, Mohave County Probation Department, Gila County Sheriff's Office, and Navajo County Sheriff's Office, to distribute \$138,000 to the Casa Grande Police Department, and to distribute \$330,000 to the Maricopa County Sheriff's Office to purchase training simulators. AS PASSED HOUSE

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**Tracking Lists:** PD

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### HB2649 - Appropriation; correction officers; retention bonus

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**Summary:** Counties are required to distribute the second year of the retention bonus for line-level deputies and detention officers employed by the county sheriff office, which was contained in the FY2022-23 budget, in a lump sum during the first month of the year, instead of in equal quarterly installments. Counties are allowed to use monies from the appropriation for retention bonuses for line-level deputies and detention officers employed as of May 1, 2022 that were unexpended after April 30, 2023 for bonuses to line-level deputies and detention officers hired after May 1, 2022. Retroactive to July 1, 2022. AS PASSED HOUSE

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**Tracking Lists:** HR, PD

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### HB2651 - Missing children; alert; notification; reporting

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**Summary:** Within 24 hours after receiving a report of a missing, abducted, or runaway child, the Department of Child Safety (DCS) is required to notify the appropriate law enforcement agency, contact a specified list of persons to obtain information about the child's disappearance, and provide a notice of disappearance in writing and telephonically to a list of specified persons. For an abducted child, DCS is required to notify the appropriate agency to issue an amber alert. Within 48 hours after receiving a report of a missing, abducted, or runaway child, DCS is required to provide a list of information to all local media outlets. Establishes a list of actions that DCS is required to take on an ongoing basis until a missing, abducted, or runaway child is located or the child reaches the age of majority. Establishes a list of actions DCS is required to take when a child is located.

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**Tracking Lists:** PD

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### HB2659 - Building permits; conditions; qualifications

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**Summary:** The issuance of a county or municipal building permit for constructing, reconstructing, installing, demolishing, maintaining or repairing any commercial building estimated to cost at least \$250,000 or a residential building with at least five units is conditioned on the contractor complying with the following qualifications and conditions at all times during the performance of work on the project, including maintaining appropriate workers' compensation insurance, properly classifying employees, complying with minimum wage requirements, and paying contributions to the Unemployment Compensation Fund. If a person fails to comply, the permit is suspended by operation of law and all construction work on the project is required to immediately cease and desist. Issuance of a stop work order issued by the county or municipality. Violations are a class 6 (lowest) felony.

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**Tracking Lists:** Community Development, PD

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### HB2704 - Appropriation; border; law enforcement; prosecution

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**Summary:** Establishes the Exploitation at the Border Fund, to be administered by the Department of Public Safety to fund sheriffs and local law enforcement agencies in border counties to pay for costs associated with prosecuting and detaining individuals who are charged with drug trafficking, human smuggling, illegal immigration, and other border-related crimes. Appropriates \$43 million from the general fund in FY2023-24 to the Fund.

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**Tracking Lists:** PD

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### HB2705 - Schools; safety training; pilot program

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**Summary:** Establishes the School Active Threat Response Pilot Program in the Arizona Department of Education (ADE) to provide school safety training and support to school districts and charter schools. Appropriates \$10 million from the general fund in FY2023-24 to ADE for the Program.

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**Tracking Lists:** PD

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### HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)

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**Summary:** For the purpose of programs providing public safety employees who are exposed to traumatic events with up to 12 visits of licensed counseling, the definition of "public safety employee" is expanded to include a 911 dispatcher in a primary or secondary public safety answering point. AS PASSED HOUSE

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**Comment:** Intent to have mental health resources for dispatchers. Amending language anticipated.

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**Tracking Lists:** HR, PD, FMR

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### **HB2755 - Appropriation; real-time crime center**

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**Summary:** Appropriates \$1.5 million from the general fund in FY2023-24 to the Department of Public Safety to distribute to the City of Tucson to operate a real-time crime center that meets specified requirements. AS PASSED HOUSE

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**Tracking Lists:** PD

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### **HB2756 - Law enforcement; defunding; prohibition**

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**Summary:** Municipalities are prohibited from reducing the annual operating budget for the municipal police department by any amount below the previous year's budget. If a municipality reduces the annual operating budget of the municipal police department, the municipality is required to notify the State Treasurer of the reduction, and the State Treasurer is required to withhold state shared revenues from the municipality in an amount equal to the reduction until notification that the reduction in the municipal police department's budget has been restored. Does not apply if the municipality does not have the means required to continue the annual operating budget of the municipal police department at the same amount as the previous year.

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**Tracking Lists:** PD, Finance Budget Procurement Audit

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### **HB2802 - Fentanyl sales; manufacture; sentencing; testing**

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**Summary:** Establishes minimum, presumptive, and maximum sentences of 5, 10, and 15 calendar years for a person convicted of possession or use involving a single unit does of fentanyl having a weight of at least 2 milligrams. The minimum, presumptive, and maximum sentences are increased by 5 years for a person with a previous conviction involving a single unit does of fentanyl having a weight of at least 2 milligrams. A law enforcement agency that confiscates fentanyl during the course of an investigation involving fentanyl is required to submit a sufficient sample of the fentanyl to an accredited crime laboratory for testing to determine the appropriate criminal violation. AS PASSED HOUSE

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**Tracking Lists:** PD

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### **HB2808 - Public records; time frame**

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**Summary:** An entity that is subject to a public records request is required to provide, within five business days after receiving a request for the records, a notification that includes specified information, including the expected date the request will be processed. An entity that willfully or intentionally refuses to comply with public records request laws or otherwise acts in bad faith is subject to a civil penalty of \$500 to \$5,000 for each occurrence. AS PASSED HOUSE

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**Comment:** Amended in committee this week. Earlier: Oppose. Problematic language that does not offer sufficient time for responsible redaction (e.g. victims' and/or non-identifying information) and compilation of records.

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**Tracking Lists:** CAO, Clerk and Elections, PD, Finance Budget Procurement Audit

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### **SB1003 - Traffic violations; identification**

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**Summary:** A person other than the driver of a motor vehicle is required to provide their full name, date of birth, and residence address to a peace officer on request if the officer has reasonable cause to believe the person has committed a traffic violation. Previously, a person other than the driver was required to provide "evidence of the person's identity" to a peace officer on request.

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**Tracking Lists:** PD

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### **SB1009 - Criminal damage; monuments; memorials; statues**

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**Summary:** Defacing, damaging or tampering with a public or private monument, memorial or statue is classified as aggravated criminal damage, a class 6 (lowest) felony if it results from an intentional or reckless act. If the damaged property is at least \$1,500 but less than \$10,000, the criminal classification is increased to a class 5 (second lowest) felony, and if the damaged property is \$10,000 or more, the criminal classification is increased to a class 4 (lower mid-level) felony.

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**Tracking Lists:** PD

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### **SB1013 - Colleges; universities; free speech zones**

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**Summary:** A person is authorized to engage in a protest or demonstration on a university or community college campus only in areas where the person is lawfully present. Does not prohibit a university or community college from regulating economic activity on campus. Universities and community colleges cannot prohibit any area on campus where free speech may be exercised by a person who is lawfully present. AS PASSED SENATE

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**Tracking Lists:** PD

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### **SB1022 - Pedestrians; selling goods; begging; medians**

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**Summary:** Pedestrians are prohibited from selling goods, soliciting donations, or begging on a painted or raised traffic island or median. The penalty for a first violation is a warning, the second violation is a civil traffic violation, and the third or subsequent violation is a class 1 (highest) misdemeanor.

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**Tracking Lists:** CAO, PD

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### **SB1023 - Residential picketing; offense**

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**Summary:** A person commits residential picketing, a class 3 (lowest) misdemeanor, if the person intentionally engages in picketing or otherwise demonstrates residence of an individual if the actions are such that a reasonable person would find the acts harassing, threatening, or alarming, or if the person intends the picketing or demonstrating to harass, threaten, or alarm another person. AS PASSED SENATE

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**Tracking Lists:** PD

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### **SB1024 - Public rights-of-way; unlawful acts**

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**Summary:** A person is prohibited from erecting or maintaining in a public street, highway, alley, sidewalk, or other right-of-way any full or partial enclosure for habitation, including a tent, tarp, box, or similar object. Does not apply to a commercial motor vehicle. AS PASSED SENATE

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**Tracking Lists:** CAO, PD

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### **SB1027 - Carfentanil; fentanyl; minors; penalties (Carfentanil; fentanyl; threshold amount; minors)**

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**Summary:** Various changes to statutes relating to drug offenses. Establishes minimum, presumptive, and maximum sentences for possession for sale, manufacture, or distribution of a controlled substance, including fentanyl, carfentanil, or fentanyl mimetic substances. It is a class 2 (second highest) misdemeanor to knowingly manufacture carfentanil, fentanyl, or fentanyl mimetic substances under any circumstance that causes physical injury to a minor who is 15 years of age. Manufacturing carfentanil, fentanyl or fentanyl mimetic substances under circumstances that cause physical injury to a minor is added to the definition of "dangerous crimes against children." AS PASSED SENATE

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**Tracking Lists:** PD

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### **SB1028 - Adult cabaret performances; prohibited locations**

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**Summary:** It is a class 1 (highest) misdemeanor to engage in an "adult cabaret performance" (defined) on public property or in a location where the performance is likely to be viewed by a minor. A second or subsequent violation is a class 6 (lowest) felony.

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**Tracking Lists:** PD, Community Services

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### **SB1029 - Felony murder; fentanyl; sentencing**

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**Summary:** The list of acts that constitute first degree murder, a class 1 (highest) felony, is expanded to include committing or attempting to commit a narcotics offense involving fentanyl that was committed as part of the person's association with and participation in the conduct of an "enterprise" (defined elsewhere in statute) that is engaged in dealing in illegal drugs, and the person organized, supervised, or financed the enterprise with the intent to promote or further criminal objectives, and, in the course of the offense or immediate flight from the offense, the person or another person causes the death of any person. AS PASSED SENATE

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**Tracking Lists:** PD

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### **SB1035 - Sidewalks; scooters; bicycles; fifteen mph**

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**Summary:** A person is prohibited from operating an electric bicycle, electric miniature scooter, electric standup scooter, or a device moved by human power on a sidewalk at a speed exceeding 15 miles per hour.

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**Tracking Lists:** PD, Engineering and Transportation

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### **SB1047 - Criminal trespass; aiding peace officer (Interfering with law enforcement; offense)**

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**Summary:** A person commits criminal trespass in the third degree, a class 3 (lowest) misdemeanor, if the person knowingly enters or remains in an area that law enforcement designates as "no trespassing" by placing police tape or a barrier, or at a site where there is active law enforcement intervention into criminal activity and law enforcement communicates that public access is restricted. A person commits refusing to aid a peace officer, a class 1 (highest) misdemeanor, if the person knowingly refuses or fails to remain at a reasonable distance, as determined by the peace officer, from the location where the peace officer is actively intervening in a dangerous or potentially violent criminal occurrence with another person who is threatening or agitated or who appears to be emotionally unstable. AS PASSED SENATE

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**Tracking Lists:** PD

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### **SB1050 - Appropriation; DUI; data collection**

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**Summary:** Appropriates \$250,000 from the general fund in FY2023-24 to the Arizona Criminal Justice Commission to enter into a contract for a report that examines the various data collection processes relating to driving under the influence made by law enforcement agencies, crime laboratories, prosecutorial agencies and courts in Arizona.

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**Tracking Lists:** PD

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### **SB1055 - Full-service crime labs; funding**

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**Summary:** The Department of Public Safety (DPS) is required to allocate and distribute the monies in the DPS Forensics Fund to each "full-service crime laboratory" defined as a crime lab operated by a criminal justice agency of the state or a political subdivision that is accredited, that provides at least six forensic disciplines, and that meets other specified requirements, based on the percentage of the state population served by each full-service crime laboratory. Previously, DPS was authorized to use 55 percent of the monies in the Fund and was required to distribute the remainder to specified municipal police departments.

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**Tracking Lists:** PD

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### **SB1058 - Law enforcement; polygraph examinations; prohibition**

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**Summary:** Employers are prohibited from administering a polygraph examination to an applicant for the position of law enforcement officer or to a law enforcement agency volunteer. The requirement for data and reports from a polygraph examination of a law enforcement officer to be destroyed three years after date of appointment or employment is moved to session law and self-repeals January 1, 2027.

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**Tracking Lists:** PD

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### **SB1064 - Sentencing enhancements; drug-free zones**

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**Summary:** It is unlawful for a person to knowingly be present in a "drug-free neighborhood zone" (defined) to sell or transfer marijuana, peyote, prescription-only dangerous drugs or narcotic drugs. A person in violation is guilty of the same class of felony that the person would otherwise be guilty of had the violation not occurred within a drug-free neighborhood zone, except that the presumptive, minimum and maximum sentence must be increased by one year, and court is required to order the person to pay a fine of at least \$2,000 or three times the value of the drugs involved, whichever is greater.

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**Comment:** City supported. Policy initiated at the city level

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**Tracking Lists:** PD

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### **SB1086 - Racketeering; animal fighting; cockfighting**

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**Summary:** For the purpose of the Criminal Code, the definition of "racketeering" is expanded to include animal fighting or cockfighting for financial gain.

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**Tracking Lists:** PD

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### **SB1088 - Good Samaritan; drug overdose; extension**

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**Summary:** Eliminates the July 1, 2023 repeal date for statute protecting a person who, in good faith, seeks medical assistance for someone experiencing a drug overdose from prosecution for the possession or use of a controlled substance or drug paraphernalia if the evidence for the violation was gained as a result of the person's seeking medical assistance, thereby making the statute permanent. Emergency clause.

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**Tracking Lists:** PD

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### **SB1096 - Firearms; contracts; prohibited practices**

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**Summary:** A "public entity" (defined) is prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of service supplies, information technology, or construction unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS PASSED SENATE

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**Tracking Lists:** CAO, PD, Finance Budget Procurement Audit

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### **SB1148 - Law enforcement; video recordings; fee**

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**Summary:** Municipalities are authorized to establish a onetime fee that is charged to a person who submits a public records request to a local law enforcement agency for a copy of a video recording. Specified crime victims or their immediate family members may receive one copy of a video recording at no charge. AS PASSED SENATE

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**Comment:** Support. Expected amendment language to codify victim access.

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**Tracking Lists:** PD, Finance Budget Procurement Audit

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**SB1160 - Medical assistance; drugs; prohibited arrest**

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**Summary:** A person who, in good faith, seeks medical assistance for someone experiencing a drug-related overdose is prohibited from being arrested for the possession or use of a controlled substance or drug paraphernalia or a preparatory offense if the evidence for the violation was gained as a result of person's seeking medical assistance.

**Tracking Lists:** PD

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**SB1162 - Home-based businesses; restrictions; prohibition**

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**Summary:** A home-based business must be allowed as a use by right if the home-based business does not supersede any deed restriction, covenant or agreement restricting the use of land, a master deed or any other document applicable to a common interest ownership community. Counties and municipalities prohibit a "no-impact home-based business" (defined) or require a person to apply for, register, or obtain a permit, license, variance or other type of municipal approval to operate a no-impact home-based business. Counties and municipalities are authorized to establish reasonable regulations on home-based business if the regulations are narrowly tailored for specified purposes, including protecting public health and safety and ensuring that the business activity is compatible with residential use of the property. AS PASSED SENATE

**Comment:** Oppose. Preemption bill on local decision-making affecting neighborhoods.

**Tracking Lists:** Neighborhoods, CAO, Community Development, PD, FMR

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**SB1187 - Public safety investment fund; appropriation**

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**Summary:** Establishes the Public Safety Investment Fund and appropriates \$45 million from the general fund in FY2023-24 to the Fund.

**Tracking Lists:** PD

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**SB1200 - Aggravated unlawful flight; law enforcement.**

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**Summary:** Establishes the crime of aggravated unlawful flight from a pursuing law enforcement vehicle, a class 4 (lower mid-level) felony, if a driver willfully operates a motor vehicle in a manner that endangers the life of another person while attempting to flee or elude a pursuing official law enforcement vehicle. If the violation results in serious physical injury or if the driver was transporting a minor under 15 years of age, the criminal classification is increased to a class 3 (second-highest) felony. A person who is convicted of aggravated unlawful flight is not eligible for probation, pardon, commutation or suspension of sentence, or release on any other basis until the person has served at least four months in prison.

**Tracking Lists:** PD

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**SB1244 - Appropriations; crime victim notification fund**

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**Summary:** Appropriates \$7.6 million from the general fund in FY2023-24 to the Law Enforcement Crime Victim Notification Fund for use in FY2023-24 and FY2024-25. Appropriates \$400,000 from the general fund in FY2023-24 to the State Treasurer to evaluate, certify, and pay for any costs associated with the fund for use in FY2023-24 and FY2024-25.

**Tracking Lists:** PD, Community Health and Human Services

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**SB1262 - Probation; felony violation; rearrest**

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**Summary:** The court is required to issue a warrant without delay for the rearrest of a defendant who is charged by indictment or information with a felony offense that was committed while the defendant is on probation, unless the court has previously considered the felony offense at a prior revocation hearing. A defendant who is arrested under these circumstances is not eligible for release while probation revocation proceedings are pending.

**Tracking Lists:** PD

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**SB1286 - Telecommunications fund; report; posting**

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**Summary:** The Director of the Arizona Department of Administration (ADOA) is required to post the annual report on the Telecommunications Fund on the ADOA website.

**Tracking Lists:** PD, FMR

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**SB1295 - Public nuisance; immunity; domestic violence**

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**Summary:** A person is immune from committing public nuisance, a class 2 (mid-level) misdemeanor, if, in the course of committing the public nuisance, the person has been, or is about to become a victim of domestic violence.

**Tracking Lists:** PD

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### SB1301 - Misconduct investigations; time limit; applicability (Law enforcement investigations; applicability)

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**Summary:** If an employer received notice of an allegation of employee misconduct by a person authorized by the employer to initiate an investigation of the misconduct before September 24, 2022, the employer is required to complete the investigation within one year after the effective date of this legislation or the investigation is dismissed. Some exceptions, including for investigations that are suspended during a criminal investigation or prosecution in connection with an allegation of law enforcement officer misconduct. Self-repeals January 1, 2025. AS PASSED SENATE

**Tracking Lists:** PD

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### SB1308 - Fireworks; aerial devices; retailers; licensure

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**Summary:** Adds "aerial devices" (defined as devices that are designed or intended to rise into the air and explode or to detonate in the air or to fly above the ground) to the definition of "permissible consumer fireworks" that may be sold during certain date ranges in Arizona. A person is prohibited from selling aerial devices to a person who is under 21 years of age. A licensed "specialty retailer" (defined) is authorized to sell permissible consumer fireworks every day of the year in each county of Arizona. By January 1, 2024, the State Fire Marshal is required to adopt rules to license and inspect specialty retailers that are allowed to sell permissible consumer fireworks on every day of the year.

**Tracking Lists:** CAO, PD, FMR

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### SB1309 - Aggravated unlawful flight; law enforcement

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**Summary:** Establishes the crime of aggravated unlawful flight from a pursuing law enforcement vehicle, a class 4 (lower mid-level) felony, if a driver willfully operates a motor vehicle in a manner that recklessly endangers the life of another person while attempting to flee or elude a pursuing official law enforcement vehicle that is appropriately marked or that is unmarked but the driver knows or should have known that the vehicle was an official law enforcement vehicle. If a violation results in serious physical injury, if the driver was transporting a minor under 15 years of age, or if the driver was driving under the influence at the time of the offense, the criminal classification is increased to a class 2 (second-highest) felony. A person who is convicted of aggravated unlawful flight is eligible for probation, pardon, commutation or suspension of sentence, or release on any other basis until the person has served at least four months in prison. AS PASSED SENATE

**Tracking Lists:** PD

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### SB1369 - Certified peace officers; hiring reimbursement

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**Summary:** A law enforcement agency in Arizona or a county, municipality, or political subdivision that employs a peace officer and that pays the costs of the peace officer's certification and training is authorized to seek reimbursement for the costs of the law enforcement officer's training and certification from a "hiring law enforcement agency" (defined). The hiring law enforcement agency is required to reimburse 100 percent of the costs related to the peace officer's certification and training, including travel, housing and salary during the training, if the certified peace officer leaves the original law enforcement agency within 12 months after employment, and to reimburse 75 percent of all costs if the officer leaves after 12 months and no more than 24 months after employment, and to reimburse 50 percent of all costs if the officer leaves after 24 months and no more than 36 months after employment. The hiring law enforcement agency cannot require a certified peace officer to assume responsibility for repaying the peace officer's certification costs. AS PASSED SENATE

**Tracking Lists:** HR, PD, Finance Budget Procurement Audit

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### SB1413 - Homeless encampment; removal

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**Summary:** On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality is required to notify the owner to remove the tent, structure, or other personal property from the area in which the encampment is located. If removal does not occur within 24 hours, the county or municipality is required to claim the property and retain the property for 14 days, during which the owner may claim the property. Unclaimed property is to be disposed of as provided in statute. Persons living at an encampment located on private property are guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use are guilty of the appropriate drug-related offense. AS PASSED SENATE

**Tracking Lists:** CAO, PD, Community Health and Human Services

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### SB1427 - Carrying of firearms; exceptions

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**Summary:** Various changes to statutes relating to firearms. A person cannot be prohibited from possessing a firearm except in a jail, correctional facility, or juvenile detention facility; by order of a judge or justice or other court order; in a secured police facility; in a location prohibited by federal law; or pursuant to a state or federal law that makes the person a prohibited possessor. It is no longer unlawful for any person to possess a firearm while on the licensed premises of an on-sale liquor retailer, or for any person in possession of a firearm while on the licensed premises of an on-sale liquor retailer to consume spirituous liquor. Repeals statute allowing liquor licensees to post a sign prohibiting the possession of weapons on the licensed premises. A person with a concealed weapons permit is no longer required to carry the permit at all times when the person is in actual possession of the concealed weapon and is no longer required to present the concealed weapons permit to any law enforcement officer on request.

**Tracking Lists:** CAO, PD, Community Services

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### SB1428 - Political subdivisions; gun shows; preemption

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**Summary:** Political subdivisions cannot prohibit a gun show from occurring in the political subdivision or enact or enforce any ordinance, rule or policy that primarily affects gun shows and effectively prohibits a gun show from occurring in the political subdivision.

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**Tracking Lists:** CAO, PD, Community Services

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### **SB1696 - Sexually explicit materials; government; prohibition**

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**Summary:** The state, a state agency, or a county, municipality, or political subdivision of Arizona is prohibited from exposing minors to "sexually explicit material" (defined) and must prohibit its contractors from exposing minors to sexually explicit materials. A facility or property owned, leased or managed by the entities is prohibited from being used for filming or facilitating sexually explicit acts. Violations are a class 5 (second-lowest) felony. AS PASSED SEN

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**Tracking Lists:** CAO, PD

# Sustainability and Resilience

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## HB2031 - Technical correction; disabled parking; reciprocity

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**Summary:** Minor change in Title 28 (Transportation) related to disabled parking. Apparent striker bus.

**Comment:** Dead. Striker to this bill has Proposition 400 Extension language. The allocations amongst freeways, arterials, programs, and transit do not reflect the unanimously agreed to regional transportation plan. There may be opportunity for further amendments.

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**Tracking Lists:** Sustainability & Resilience, Finance Budget Procurement Audit, Engineering and Transportation

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## HB2216 - Hazardous air pollutants program

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**Summary:** The Director of the Arizona Department of Environmental Quality is allowed, instead of required, to establish by rule a state program for the control of hazardous air pollutants.

**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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## HB2241 - Electric vehicles; charging; pilot program

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**Summary:** Counties and municipalities are prohibited from issuing a residential structure building permit for a single-family structure if the structure does not have a specified electrical circuit with a dedicated outlet to charge an electric vehicle in the garage or within 10 feet of a parking space on the outside of the structure. Some exceptions. The Arizona Department of Administration (ADOA) is required to conduct a two-year electric vehicle-ready homes pilot program. ADOA is required to reimburse the owner of a single-family or multifamily residential structure for the cost of installing a high voltage electric outlet for the purpose of charging an electric vehicle, up to \$1,000, until the monies are exhausted. By December 31, 2025, ADOA is required to submit a report to the Governor and the Legislature with specified information relating to the pilot program. The pilot program self-repeals October 1, 2026.

**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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## HB2279 - Greenhouse gas programs; repeal prohibition

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**Summary:** Repeals statute prohibiting state agencies from adopting or enforcing a state or regional program to regulate the emission of greenhouse gas for the purposes of addressing changes in atmospheric temperature without express legislative authorization.

**Tracking Lists:** Sustainability & Resilience

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## HB2348 - Auxiliary containers; regulation; prohibition; repeal

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**Summary:** Repeals statutes prohibiting counties and municipalities from imposing a tax, fee, assessment, charge or return deposit on a consumer or an owner, operator or tenant of a business, commercial building or multifamily housing property for "auxiliary containers" (defined as reusable bags, disposable boxes, beverage cans, bottles, cups and containers that are made from specified materials and that are used for transporting merchandise), and from regulating the sale, use or disposition of auxiliary containers by an owner, operator or tenant of a business, commercial building or multifamily housing property.

**Tracking Lists:** Sustainability & Resilience, CAO

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## HB2349 - Instructional school garden program

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**Summary:** Establishes the Instructional School Garden Program is established to promote, establish and support instructional gardens in schools by eligible education agencies. The Arizona Department of Agriculture is required to administer and monitor the Program, apply for grants and other funding sources to support the Program, and establish criteria for receiving and evaluating applications from eligible education agencies.

**Tracking Lists:** Sustainability & Resilience

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## HB2350 - State properties; grass lawns; prohibition

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**Summary:** Beginning on the effective date of this legislation, the Arizona Department of Administration (ADOA) is prohibited from installing natural grass on the grounds of any state property except to replace existing natural grass for recreational use or install new natural grass for recreational use. ADOA is not permitted to remove any natural grass on the grounds of all state property and replace it with artificial turf or xeriscape. Does not apply to state property that is the responsibility of Legislative Council, except for the lawns on Wesley Bolin Plaza. Contains a legislative intent section.

**Tracking Lists:** Sustainability & Resilience

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## HB2354 - Local agriculture; public schools; program

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**Summary:** Establishes the Farm to School Program within the Arizona Department of Agriculture (AZDA) to connect farmers in Arizona with schools in Arizona to provide locally grown agricultural products for inclusion in school meals and strengthen local farming economies. Establishes an 8-member Farm to School Advisory Committee.

Task Force to provide recommendations to AZDA on the Program and related issues. By January 1, 2025 and each year after, the Task Force is required to submit a report of its findings and recommendations to the Governor and the Legislature.

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**Tracking Lists:** Sustainability & Resilience

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### **HB2440 - Electric energy; power companies; priorities**

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**Summary:** A public power entity or public service corporation responsible for its service territory is required to conduct infrastructure planning and investments to maintain reliable and affordable electric service. The governing body of a public power entity or a public service corporation is required to provide electric service at just and reasonable rates. When making decisions regarding the planning, investment, procurement and operation of electric generation, transmission and distribution resources, a public power entity or public service corporation is required to prioritize the reliability of the grid and afford the costs to retail electric customers.

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**Tracking Lists:** Sustainability & Resilience

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### **HB2441 - State tree; residential planning**

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**Summary:** Counties and municipalities are prohibited from adopting a land use regulation or general or specific plan provision, and from enforcing any ordinance, code, or regulation, and from imposing as a condition for approving a building or use permit any regulation that prohibits or restricts the use or placement of the state tree (the palo verde) in a residential housing development. Some exceptions. AS PASSED HOUSE

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**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Economic Development

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### **HB2618 - Decommissioning; solar and wind; standards**

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**Summary:** Counties and municipalities are authorized to adopt zoning standards, site specific conditions, and permitting requirements or procedures for a solar energy power plant located in the county or municipality. If part of a solar or wind energy power plant is damaged or if the plant violates a permit condition, the plant owner or operator is required to cure the damage or deficiency within 90 days after written notice from the county or municipality, or provide the county or municipality with a plan to cure the damage or deficiency as soon as reasonably possible. If a plant remains nonfunctional or inoperative for a continuous period of at least one year, the applicant is required to remove the system and restore the site at its own expense. Solar and wind energy power plant owners or operators are required to provide a county or municipality with a decommissioning and site restoration plan, and items that must be included in the plan are listed. Solar and wind energy power plant owners or operators are required to continuously maintain financial assurance in an amount equal to the cost of decommissioning and restoring the site, and to maintain an insurance policy covering liability of a county or municipality where the plant is located. AS PASSED HOUSE

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**Tracking Lists:** Sustainability & Resilience

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### **HB2702 - Energy projects; grazing operations; compensation**

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**Summary:** A business is prohibited from contracting or subcontracting with a resident of Arizona or a business in Arizona to construct a solar or wind energy project that reduces the size of a grazing lessee's grazing operation unless the business compensates the grazing lessee for the grazing lessee's loss of profit or loss in value of the grazing lessee's grazing operation, the cost to relocate the grazing lessee's grazing operation, and the cost to mitigate losses due to the reduction of the grazing lessee's grazing operation.

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**Tracking Lists:** Sustainability & Resilience

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### **HCM2008 - Air quality; ozone standards; opposing**

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**Summary:** The Legislature urges the Biden Administration and the U.S. Congress to stop the United States Environmental Protection Agency from imposing penalties on Arizona to comply with an ozone standard that is impossible to attain through any of the control measures being considered. 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.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1312 - Vehicle mileage; tracking; tax; prohibitions**

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**Summary:** This state, counties, municipalities, and political subdivisions are prohibited from establishing vehicle miles of travel reduction goals or targets in developing any transportation or land use planning or selecting transportation or transit projects. This state, counties, municipalities, and political subdivisions are prohibited from tracking or maintaining a record of a person's vehicle miles of travel. This state, counties, municipalities, and political subdivisions are prohibited from imposing or collecting any mileage fee or tax, a per-mile charge, fee or tax or any tax or fee based on vehicle miles traveled by an individual in a motor vehicle.

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**Tracking Lists:** Sustainability & Resilience, Engineering and Transportation

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### **SB1313 - General plan; transportation; independent study**

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**Summary:** Municipal general plans are prohibited from including transportation or land use policies or projects that reduce overall system capacity of motor vehicle traffic. If a general plan includes a reduction in the level of service of any arterial street, the municipality is required to conduct an independent study impact on emergency vehicle response times. Municipal general plans for municipalities with a population of 50,000 persons or more are no longer required to include a bicycling element consisting of proposed bicycle facilities. AS PASSED SENATE

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**Tracking Lists:** Sustainability & Resilience, CAO, Community Development, Engineering and Transportation

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### **SB1441 - Electric vehicles; pilot program; appropriation**

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**Summary:** Counties and municipalities are prohibited from issuing a residential structure building permit for a single-family structure if the residential structure does not have a 208/240-volt, 50-ampere, NEMA 14-50 branch circuit with a dedicated outlet to charge an electric vehicle in the residential structure's garage within ten feet of a parking space on the outside of the residential structure. Some exceptions. The Arizona Department of Administration (ADOA) is required to conduct a two-year electric vehicle-ready homes pilot program to reimburse the owner of a single-family or multifamily residential structure the cost of installing a high voltage electrical outlet for the purpose of charging an electric vehicle, up to \$1,000, until the appropriation is exhausted. ADOA is required to submit a report with specified information relating to the pilot program to the Governor and the Legislature by December 31, 2025. Approved: \$500,000 from the general fund in FY2023-24 to ADOA for the pilot program.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1442 - Transportation electrification study committee**

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**Summary:** Establishes an 11-member Transportation Electrification Study Committee to collaborate with local governments, electric utilities, environmental groups, transportation industry and interested communities to identify the best ways to encourage an economy-wide transition from carbon-fueled vehicles to electric vehicles. The Committee is required to submit a report of its findings and recommendations to the Governor and the Legislature by July 1, 2025, and self-repeals October 1, 2025.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1444 - Zero emission vehicles; plans**

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**Summary:** In coordination with the Arizona Department of Environmental Quality and the Arizona Department of Administration, the Arizona Department of Transportation (ADOT) is required to develop a "zero emission vehicle" (defined) plan designed to increase the number of registered zero emission vehicles in this state, help establish interstate and intrastate zero emission vehicle corridors, and coordinate and increase the installation of zero emission vehicle charging infrastructure. Within six months after the effective date of this legislation, ADOT is required to submit a draft of the zero emission vehicle plan to the Governor and the Legislature.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1445 - Charging station; pilot program**

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**Summary:** The Arizona Department of Administration (ADOA) is required to conduct a two-year electric vehicle charging station pilot program. All state agencies are required to apply to ADOA for funding to cover the cost of installing electric vehicle charging stations at their agency locations. By December 31, 2025, ADOA is required to submit a report to the Governor and the Legislature with specified information relating to the pilot program. ADOA is required to apply for use of applicable federal monies to fund the pilot program. The pilot program self-repeals October 1, 2026.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1502 - Corporation commission; electric generation resources**

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**Summary:** Declare that it is the public policy of Arizona that public service corporations should pursue the use of "clean energy resources" (defined) and the reduction of carbon emissions resulting from the generation of energy for retail electric sales, provided the mix of critical electric generation resources used by public service corporations to meet its customers' needs is the lowest cost method of providing safe and reliable electricity services while taking into consideration the system-wide costs associated with meeting customer demand for services at all times of each day and throughout all seasons of the year. Requires public service corporations to derive at least the following percentages of retail kilowatt sales from renewable energy resources by the following dates: 13 percent by December 31, 2023, 14 percent by December 31, 2024, 15 percent by December 31, 2025 and for each year thereafter. Contains legislative findings.

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**Tracking Lists:** Sustainability & Resilience

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### **SB1651 - Water; energy; financing program.**

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**Summary:** Counties and municipalities are authorized to provide for or allow the construction, installation or modification of critical capital expenditure improvement projects, energy efficiency improvements, renewable energy improvements or resiliency improvements on qualifying property by establishing a "C-PACE Program" (defined). Establishes a new chapter in Title 49 (Environment) establishing and regulating the Commercial Property Assessed Capital Expenditure Financing Program (C-PACE Program). To establish a C-PACE Program, a governing body is required to adopt a resolution or ordinance to do so, after a public hearing to consider establishing the Program. Local program authorities are authorized to enter into special assessment agreements with property owners to secure special assessment financing for C-PACE Program projects. Provides for the imposition and collection of special assessments. Mo

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**Tracking Lists:** Municipal Utilities - Water, Sustainability & Resilience

# CITIES AND TOWNS **OPPOSE SCR 1023 & SCR 1027** STOP ATTACKS ON CHARTER AUTHORITY

**SCR 1023** seeks voter approval to repeal charter authority from Arizona's Constitution and aims to invalidate existing municipal charters.

**SCR 1027** would ask voters across the state to place restrictions on how charter cities conduct their local elections.

- Since statehood, the home rule charter provision has effectively provided a balance between local autonomy to exercise charter-granted authority over purely municipal concerns and final state legislative authority over matters of joint municipal and statewide concern.
- City charters provide an essential governance structure, addressing topics like administration, ordinance adoption, finance, and budgeting procedures.
- A municipal charter is a tool of the people, **NOT** cities, and has to be approved by the voters. This empowers local voters to craft operations to match the community's wishes.
  - Example: The mayor and council of Tucson asked the voters to amend their charter to adopt an election system similar to what is seen in other Arizona cities. The **people** defeated that proposal **choosing** to maintain their current system.
- Charter authority is **NOT** unlimited. Charter provisions have to be submitted to the Governor and reviewed for constitutionality.
- While city charters may contain provisions that allow for greater flexibility in some areas, the reality is that many charter provisions **LIMIT** municipal authority. For example:
  - City charters may impose term limits on the mayor and council. (Goodyear, Mesa, Phoenix, others)
  - City charters may limit property taxes. (Mesa, Phoenix, Tucson, others)
  - City charters may require voter approval for sales tax increases. (Glendale, Mesa, Tucson, others)

**The residents of a city should have the power to determine how they want their city run and make that decision *locally*. The framers of the Arizona Constitution saw the value of local self-determination and included it to ensure this vital feature was available to the people of Arizona.**

**OPPOSE SCR1023 charter cities; repeal  
OPPOSE SCR1027 cities; towns; elections**



# MEMORANDUM



TO: Mayor and Council  
FROM: Mark Day, Municipal Budget Director  
THROUGH: Tom Duensing, Deputy City Manager  
DATE: March 17, 2023  
SUBJECT: Quarterly Financial Report for FY 2022-23 Q2

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Attached is the Quarterly Financial Report for the second quarter of Fiscal Year 2022-23, the quarter ending December 31, 2022. The Municipal Budget Office prepares quarterly financial reports for all the major operating funds, revenue sources and departments that reflect budget to actual comparisons and highlight major variances that may require additional monitoring or action.

Although revenues and expenditures are not budgeted on a quarterly basis, the report applies a three-year historical average to the annual budget to gain insight into revenue and expenditure actual performance versus the estimated budget for the quarter.

We have included a quick-reference Table of Contents on the following page that will allow you to quickly navigate to areas of interest by clicking on titles or page numbers. The *table of contents* link at the bottom of every page will return you to the Table of Contents. The report can also be found on the Municipal Budget Office's Internet page.

Please let me know if you have questions about the information contained in this report.



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## Quarterly Financial Performance Report

Through the Second Quarter Ended December 31, 2022

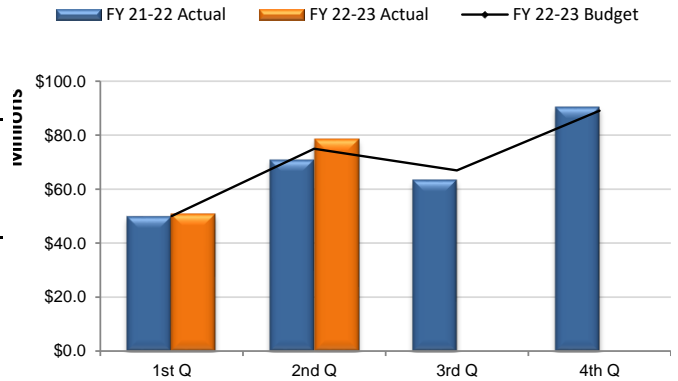
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### Performance Ratings Key

- Positive** = A positive variance, or a negative variance of less than 2%, which shows the category is performing close to historical trends.
- Watch** = A negative variance between 2-5%, compared to historical trends.
- Negative** = A negative variance of greater than 5%, compared to historical trends.



		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 50,022,923	\$ 50,777,938	18.1%	17.8%
2nd Q	Oct-Dec 22	74,967,943	78,335,931	27.9%	26.7%
3rd Q	Jan-Mar 23	66,894,017			
4th Q	Apr-Jun 23	89,073,355			
Total		\$ 280,958,238	\$ 129,113,869	46.0%	44.5%
Variance from Budget			\$ 4,123,003	1.5%	



**Positive**

Through the second quarter of FY 2022-23, General Fund revenue is 46.0% of budget, compared with a historical percentage of 44.5%. In terms of budget-to-actual variance, total collections are above the anticipated revenue target for the second quarter by \$4.1 million. The scope of budget-to-actual variance for each category can be seen in the table and graph at the bottom-right corner of this page. Quarterly collection detail by category can be found on pages 2 through 6 of this reports.



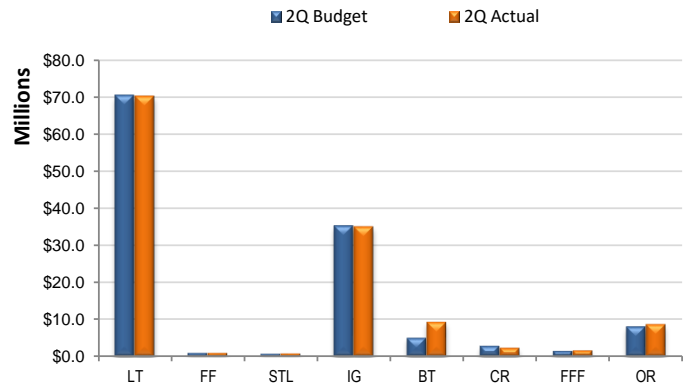
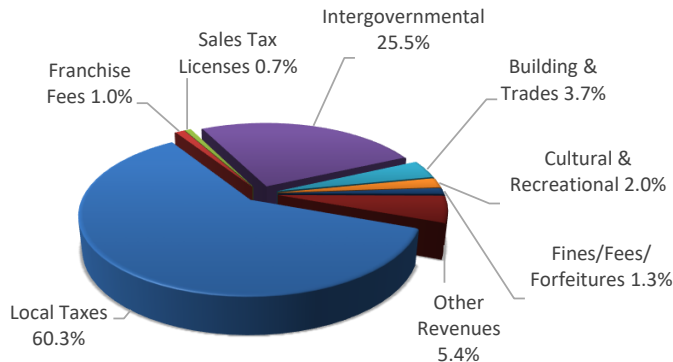
## General Fund Revenue by Category

Revenue Categories	FY 22-23 Annual Budget	% of Annual Budget
Local Taxes	\$ 169,383,093	60.3%
Franchise Fees	2,934,996	1.0%
Sales Tax Licenses	2,039,500	0.7%
Intergovernmental	71,761,302	25.5%
Building & Trades	10,447,630	3.7%
Cultural & Recreational	5,585,200	2.0%
Fines/Fees/ Forfeitures	3,550,446	1.3%
Other Revenues	15,256,071	5.4%
<b>Total</b>	<b>\$ 280,958,238</b>	<b>100.0%</b>

Cumulative Revenue through 2Q 2022-2023

	2Q Budget Target	2Q Actual Revenue	% of Budget Target
Local Taxes (LT)	\$ 70,424,982	\$ 70,240,368	100%
Franchise Fees (FF)	980,289	932,369	95%
Sales Tax Licenses (STL)	685,272	815,249	119%
Intergovernmental (IG)	35,306,561	35,093,942	99%
Building & Trades (BT)	5,056,653	9,341,802	185%
Cultural & Recreational (CR)	2,893,134	2,324,563	80%
Fines/Fees/Forfeitures (FFF)	1,512,490	1,668,379	110%
Other Revenues (OR)	8,131,486	8,697,198	107%
<b>Total</b>	<b>\$ 124,990,866</b>	<b>\$ 129,113,869</b>	<b>103%</b>

FY 22-23 Budget

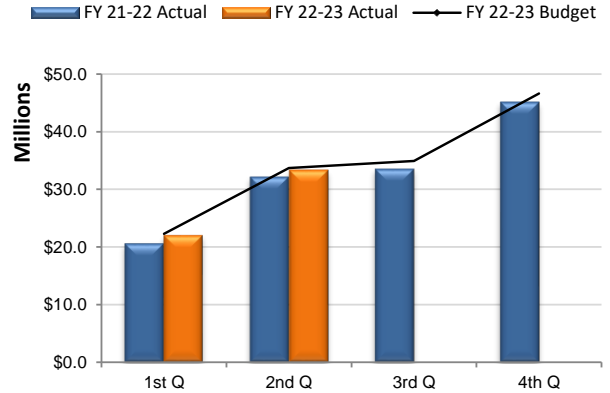


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**Sales Tax**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 22,284,111	\$ 22,023,232	16.0%	16.2%
2nd Q	Oct-Dec 22	33,701,280	33,268,414	24.2%	24.5%
3rd Q	Jan-Mar 23	34,939,286			
4th Q	Apr-Jun 23	46,631,566			
<b>Total</b>		<b>\$ 137,556,243</b>	<b>\$ 55,291,646</b>	<b>40.2%</b>	<b>40.7%</b>
Variance from Budget			\$ (693,745)	-0.5%	



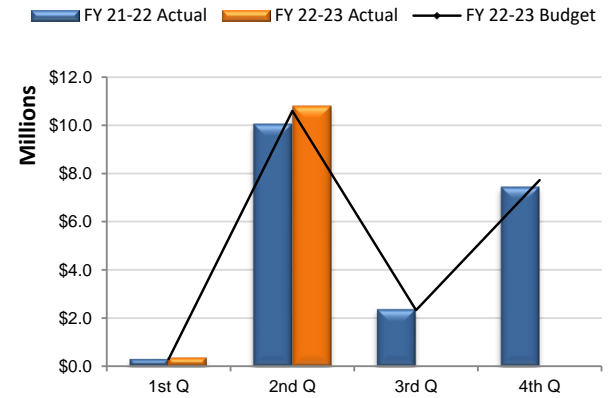
**Positive**

City Sales Taxes are generated by a 1.8% levy on sales transactions in the city. Of the total 1.8% rate, 1.2% is deposited in the General Fund, 0.5% is dedicated for Transit purposes, and the remaining 0.1% is deposited in the Arts & Culture Fund. The amount deposited in the General Fund is depicted in the table and graph above. This revenue source contributes 49% of the General Fund budget in FY 2022-23 making it the City's largest revenue source. Through the second quarter of FY 2022-23, Sales Tax collections are 40.2% of budget, which is slightly below the historical average of 40.7%. In terms of budget-to-actual variance, collections are \$693 thousand below the budgeted value.



**Property Tax**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 293,281	\$ 370,846	1.8%	1.4%
2nd Q	Oct-Dec 22	10,600,016	10,809,328	51.6%	50.6%
3rd Q	Jan-Mar 23	2,325,300			
4th Q	Apr-Jun 23	7,730,051			
<b>Total</b>		<b>\$ 20,948,649</b>	<b>\$ 11,180,174</b>	<b>53.4%</b>	<b>52.0%</b>
Variance from Budget			\$ 286,876	1.4%	

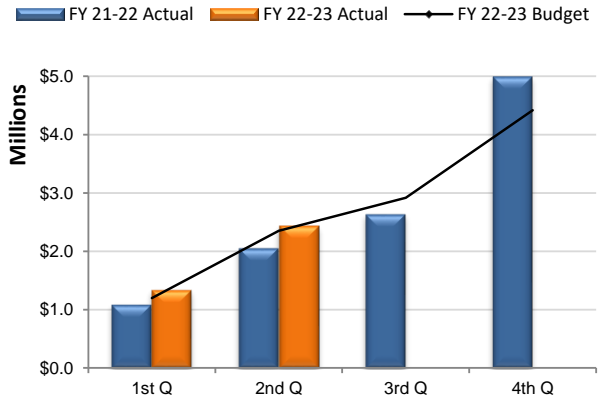


**Positive**

Property Tax revenue in the General Fund is generated by a \$0.87 charge per \$100 of the primary assessed valuation of real and personal property. In FY 2022-23, Property Tax contributes 7.5% of budgeted General Fund revenue. Through the second quarter of FY 2022-23, Property Tax collections are 53.4% of budget, slightly above the historical average of 52.0%. In terms of budget-to-actual variance, Property Tax is \$286 thousand above the budgeted value.

**Bed Tax**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,196,602	\$ 1,336,777	12.3%	11.0%
2nd Q	Oct-Dec 22	2,349,691	2,431,771	22.4%	21.6%
3rd Q	Jan-Mar 23	2,915,358			
4th Q	Apr-Jun 23	4,416,550			
<b>Total</b>		<b>\$ 10,878,201</b>	<b>\$ 3,768,547</b>	<b>34.6%</b>	<b>32.6%</b>
Variance from Budget			\$ 222,254	2.0%	

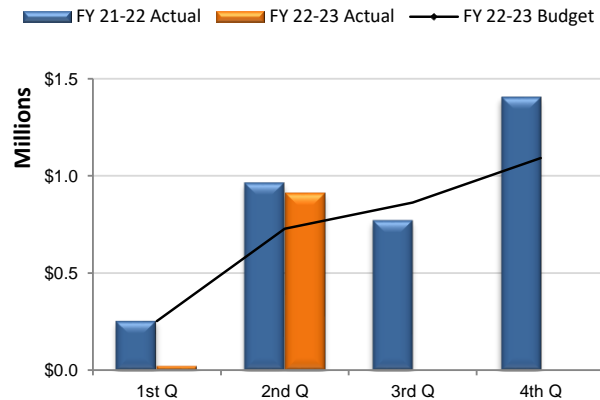


**Positive**

The Transient Lodging Tax, or Bed Tax, is a 5.0% levy on hotel and motel sales that contributes approximately 3.9% of budgeted General Fund revenue in FY 2022-23. Bed Tax collections through the second quarter of FY 2022-23 are 34.6% of budget, which is higher than the historical average of 32.6%. In terms of budget-to-actual variance, collections are \$222 thousand above the budgeted value.

**Franchise Fees**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 252,410	\$ 22,960	0.8%	8.6%
2nd Q	Oct-Dec 22	727,879	909,408	31.0%	24.8%
3rd Q	Jan-Mar 23	862,889			
4th Q	Apr-Jun 23	1,091,819			
<b>Total</b>		<b>\$ 2,934,996</b>	<b>\$ 932,369</b>	<b>31.8%</b>	<b>33.4%</b>
Variance from Budget			\$ (47,920)	-1.6%	



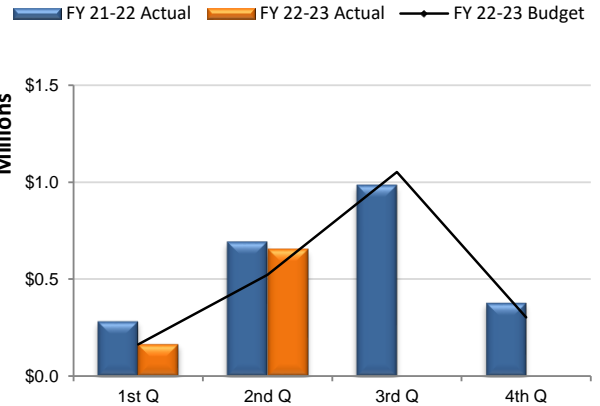
**Positive**

Franchise Fee revenues are collected based on specific agreements with service providers in the city, including Arizona Public Service (2.0% of revenue), Cox Communications (5.0% of gross revenue), and Southwest Gas (2.0% of gross revenue). These fees contribute 1.0% of annual General Fund revenue. Franchise Fee payments are 31.8% of the budgeted amount through the second quarter of FY 2022-23, compared to 33.4% historically. In terms of budget-to-actual variance, collections are \$47 thousand below the expected amount. It is anticipated that variance will normalize during the remainder of the fiscal year.



**Sales Tax Licenses**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 163,160	\$ 164,668	8.1%	8.0%
2nd Q	Oct-Dec 22	522,112	650,581	31.9%	25.6%
3rd Q	Jan-Mar 23	1,052,382			
4th Q	Apr-Jun 23	301,846			
Total		\$ 2,039,500	\$ 815,249	40.0%	33.6%
Variance from Budget			\$ 129,977	6.4%	



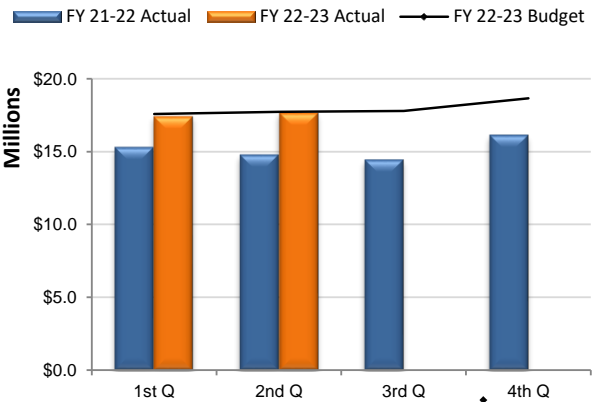
**Positive**

The City requires taxable business activities to be licensed, with the annual licensing fee amount varying by business type. Starting in 2017, the Arizona Department of Revenue (ADOR) began collecting the fees for Tempe's Sales Tax Licenses. Sales Tax License collections through the second quarter of FY 2022-23 were 40.0% of budget, compared to the historical average of 33.6%. Sales Tax Licenses contribute 0.7% of annual General Fund revenue. In terms of budget-to-actual variance, collections are 6.4% above budget, or \$130 thousand.



**Intergovernmental**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 17,581,519	\$ 17,426,613	24.3%	24.5%
2nd Q	Oct-Dec 22	17,725,042	17,667,330	24.6%	24.7%
3rd Q	Jan-Mar 23	17,796,803			
4th Q	Apr-Jun 23	18,657,939			
Total		\$ 71,761,302	\$ 35,093,942	48.9%	49.2%
Variance from Budget			\$ (212,618)	-0.3%	



**Positive**

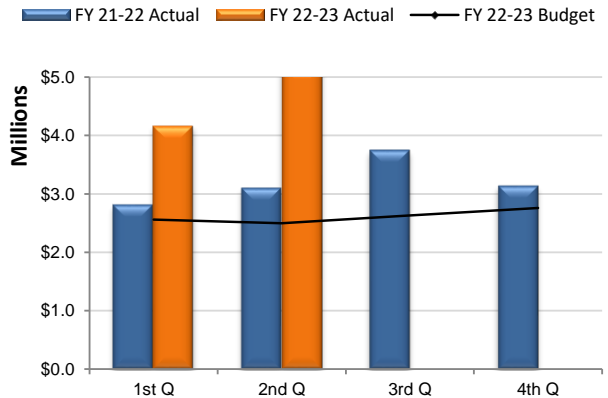
Intergovernmental Revenue includes distributions of State Income Taxes, State Sales Taxes, and State Vehicle License Taxes. These revenues are distributed based on Tempe's share of the state urban population as determined by the U.S. Census. In total, these revenues constitute 25.5% of budgeted revenue for FY 2022-23, making this the second largest General Fund revenue source after Sales Taxes. Through the second quarter of FY 2022-23, actual collections are 48.9% of budget, compared to a historical average of 49.2%. In terms of budget-to-actual variance, collections are 0.3% below budget.



**Building & Trades**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 2,559,669	\$ 4,162,638	39.8%	24.5%
2nd Q	Oct-Dec 22	2,496,984	5,179,163	49.6%	23.9%
3rd Q	Jan-Mar 23	2,632,803			
4th Q	Apr-Jun 23	2,758,174			
Total		\$ 10,447,630	\$ 9,341,802	89.4%	48.4%
Variance from Budget			\$ 4,285,149	41.0%	

**Positive**



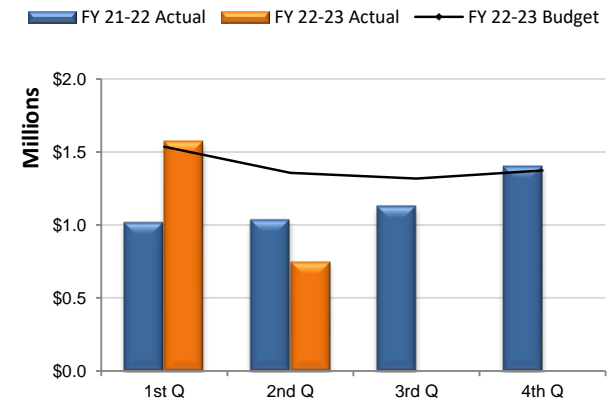
Building and Trade revenues consist of Building Permit Fees, Plan Check Fees, and other miscellaneous engineering and permitting fees generated by development. These fees are charged to recover a portion of the cost of regulating development. In FY 2022-23, this revenue source contributes 3.7% of budgeted General Fund revenue. Through the second quarter of FY 2022-23, actual collections are 89.4% of budget, compared to a historical average of 48.4%. Thus far, in terms of budget-to-actual variance, collections are 41.0% above the budgeted estimate, or \$4.3 million.



**Cultural & Recreational**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,535,930	\$ 1,575,298	28.2%	27.5%
2nd Q	Oct-Dec 22	1,357,204	749,266	13.4%	24.3%
3rd Q	Jan-Mar 23	1,318,107			
4th Q	Apr-Jun 23	1,373,959			
Total		\$ 5,585,200	\$ 2,324,563	41.6%	51.8%
Variance from Budget			\$ (568,570)	-10.2%	

**Negative**



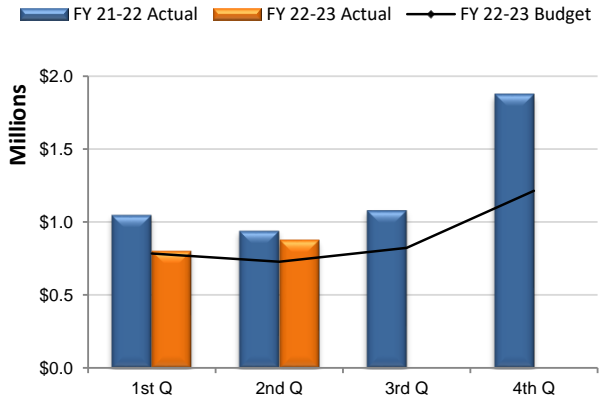
Cultural and Recreational revenues include fees and charges to recover a portion of the costs of providing the City's cultural and recreational programs. The majority of this revenue source is generated from fees charged for the City's Kid Zone program. In total, Cultural and Recreational fees represent 2.0% of total budgeted General Fund revenue for FY 2022-23. Through the second quarter of FY 2022-23, Cultural and Recreational fee collections are 41.6% of budget, compared to the historical average of 51.8%, for a total negative variance of -10.2%. In terms of budget-to-actual variance, collections are \$568 thousand below the budgeted estimate. This variance is due to Kid Zone General Fund revenue that was reclassified to Governmental Grants (Fund 46) revenue in the second quarter. It is anticipated that this variance will normalize during the remainder of the fiscal year.



**Fines, Fees & Forfeitures**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 784,649	\$ 796,026	22.4%	22.1%
2nd Q	Oct-Dec 22	727,841	872,352	24.6%	20.5%
3rd Q	Jan-Mar 23	823,703			
4th Q	Apr-Jun 23	1,214,253			
<b>Total</b>		<b>\$ 3,550,446</b>	<b>\$ 1,668,379</b>	<b>47.0%</b>	<b>42.6%</b>
Variance from Budget			\$ 155,889	4.4%	

**Positive**



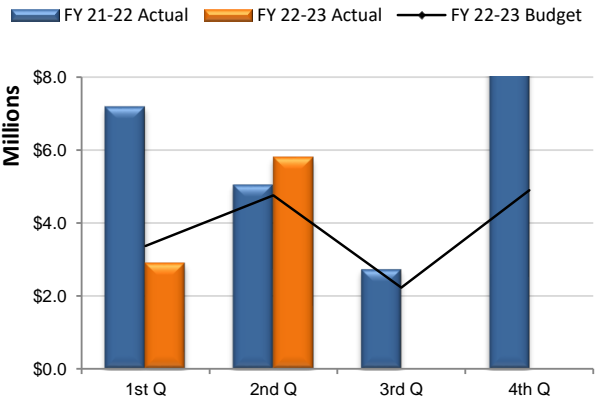
Fines, Fees, and Forfeiture revenue derives from fines and other payments related to violations of state laws and local ordinances, including parking, traffic, and criminal enforcement activities. In total, Fines, Fees, and Forfeitures represent 1.3% of total budgeted General Fund revenue for FY 2022-23. Through the second quarter of FY 2022-23, 47.0% of budgeted revenues have been collected, compared to a historical average of 42.6%. In terms of budget-to-actual variance, this category is 4.4% above the expected value through the second quarter.



**Other Revenues**

		FY 22-23 Adopted Budget	FY 22-23 Actual Revenue	% of Budget Collected	% of Budget Hist
1st Q	Jul-Sep 22	\$ 3,371,592	\$ 2,898,880	19.0%	22.1%
2nd Q	Oct-Dec 22	4,759,894	5,798,318	38.0%	31.2%
3rd Q	Jan-Mar 23	2,227,386			
4th Q	Apr-Jun 23	4,897,199			
<b>Total</b>		<b>\$ 15,256,071</b>	<b>\$ 8,697,198</b>	<b>57.0%</b>	<b>53.3%</b>
Variance from Budget			\$ 565,712	3.7%	

**Positive**



Other Revenues include collections from a variety of sources not otherwise accounted for in the major revenue categories. Primary components of Other Revenues are Land Sales, Interest Earnings, Land and Building Facility Rental, and SRP In-Lieu Payments. In FY 2022-23, this revenue source contributes 5.4% of budgeted General Fund revenue. Through the second quarter of the fiscal year, collections of Other Revenue are 57.0% of the FY 2022-23 budget, compared to a historical tracking percentage of 53.3%.

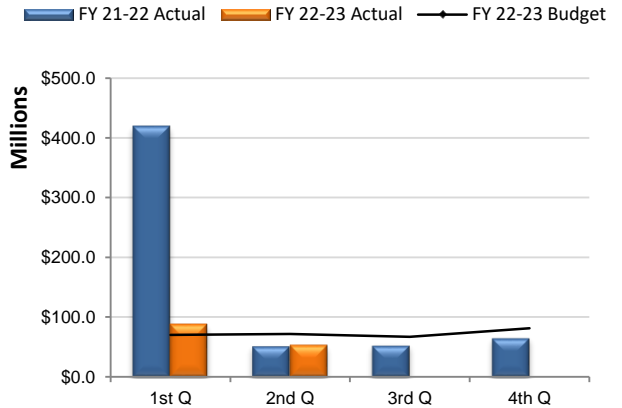




		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 70,024,167	\$ 86,990,444	30.0%	24.1%
2nd Q	Oct-Dec 22	71,849,522	53,089,733	18.3%	24.8%
3rd Q	Jan-Mar 23	66,973,160			
4th Q	Apr-Jun 23	81,261,950			
<b>Total</b>		<b>\$ 290,108,800</b>	<b>\$ 140,080,177</b>	<b>48.3%</b>	<b>48.9%</b>

Variance from Budget \$ 1,793,513 0.6%  
 \*Budget excludes a \$1.5 million contingency appropriation, encumbrances and inventory

**Positive**

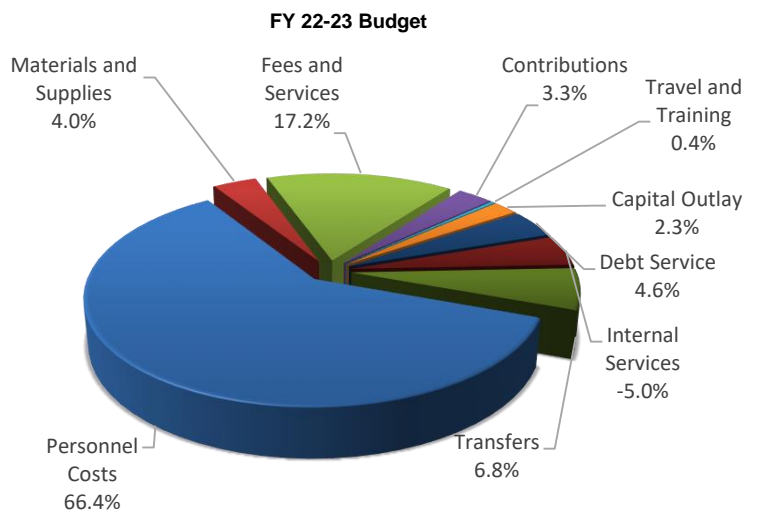


Through the second quarter of FY 2022-23, General Fund expenditures are 48.3% of budget, compared with a historical percentage of 48.9%. In terms of budget-to-actual variance, General Fund expenditures are 0.6% below budget through the second quarter. Departmental quarterly expenditure tracking data can be found on pages 8 through 17 of this report.



## General Fund Expenditures By Category

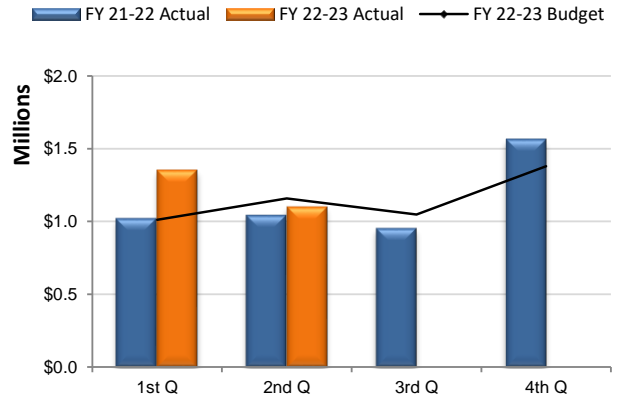
Categories	FY 22-23 Adopted Budget	% of Adopted Budget
Personnel Costs	\$ 192,691,163	66.4%
Materials and Supplies	11,696,299	4.0%
Fees and Services	49,873,477	17.2%
Contributions	9,542,405	3.3%
Travel and Training	1,032,427	0.4%
Capital Outlay	6,693,391	2.3%
Debt Service	13,368,120	4.6%
Internal Services	(14,620,650)	-5.0%
Transfers	19,832,168	6.8%
<b>Total</b>	<b>\$ 290,108,800</b>	<b>100.0%</b>





**City Attorney's Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Spent	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,011,696	\$ 1,349,828	29.4%	22.0%
2nd Q	Oct-Dec 22	1,158,852	1,098,425	23.9%	25.2%
3rd Q	Jan-Mar 23	1,048,485			
4th Q	Apr-Jun 23	1,379,586			
<b>Total</b>		<b>\$ 4,598,619</b>	<b>\$ 2,448,253</b>	<b>53.2%</b>	<b>47.2%</b>
*amounts are net of internal service charges, and exclude transfers					
Variance from Budget			\$ (277,705)	-6.0%	



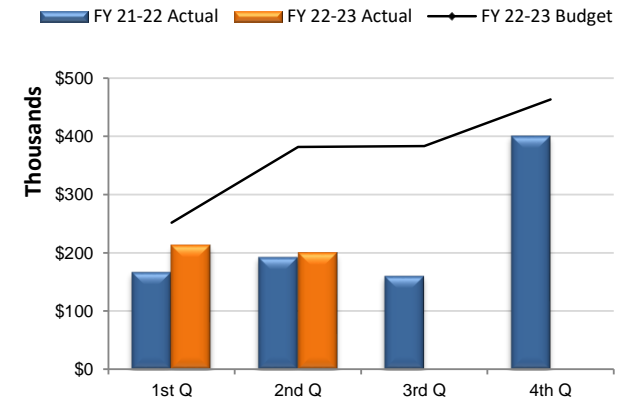
**Negative**

The City Attorney's Office spent 53.2% of its FY 2022-23 budget through the second quarter, compared to a historical average of 47.2%. In terms of budget-to-actual variance, expenditures are \$277 thousand or 6.0% more than budgeted through the second quarter. It is anticipated that this variance will normalize as the fiscal year progresses.



**City Clerk's Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Spent	% of Budget Hist
1st Q	Jul-Sep 22	\$ 251,681	\$ 212,197	14.3%	17.0%
2nd Q	Oct-Dec 22	381,963	199,056	13.4%	25.8%
3rd Q	Jan-Mar 23	383,444			
4th Q	Apr-Jun 23	463,390			
<b>Total</b>		<b>\$ 1,480,478</b>	<b>\$ 411,253</b>	<b>27.8%</b>	<b>42.8%</b>
*amounts are net of internal service charges, and exclude transfers					
Variance from Budget			\$ 222,392	15.0%	



**Positive**

The City Clerk's Office has spent 27.8% of its FY 2022-23 budget through the second quarter, compared to a historical average of 42.8%. In terms of variance from the budget through the second quarter, expenditures are \$222 thousand or 15.0% below the expected amount.



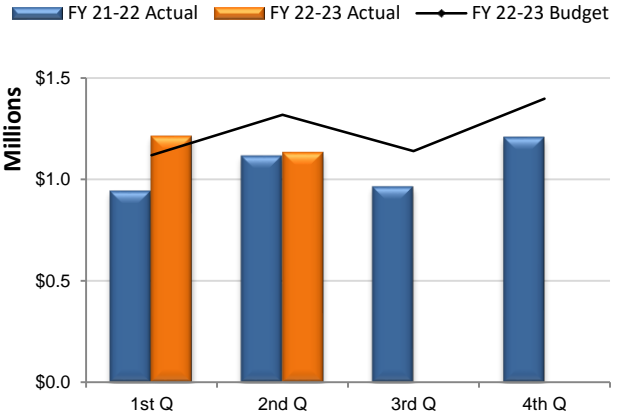
**City Court**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,119,467	\$ 1,211,865	24.4%	22.5%
2nd Q	Oct-Dec 22	1,318,483	1,132,078	22.8%	26.5%
3rd Q	Jan-Mar 23	1,139,368			
4th Q	Apr-Jun 23	1,398,089			
<b>Total</b>		<b>\$ 4,975,407</b>	<b>\$ 2,343,943</b>	<b>47.1%</b>	<b>49.0%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 94,006 1.9%

**Positive**



The City Court has spent 47.1% of its FY 2022-23 budget through the second quarter compared to the historical average of 49.0%. In terms of variance from the budget through the second quarter, expenditures are \$94 thousand or 1.9% below the budgeted amount.



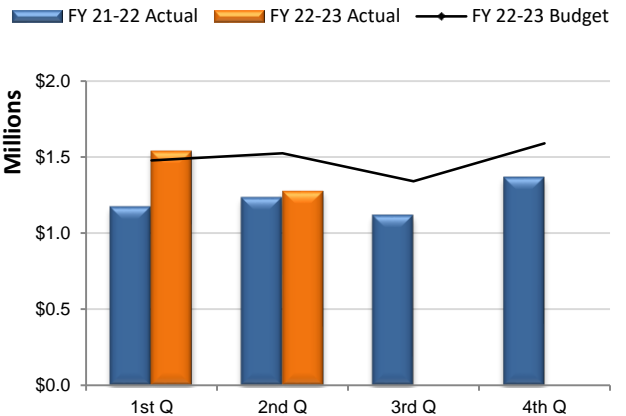
**City Manager's Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,477,953	\$ 1,540,862	26.0%	24.9%
2nd Q	Oct-Dec 22	1,525,437	1,277,721	21.5%	25.7%
3rd Q	Jan-Mar 23	1,341,435			
4th Q	Apr-Jun 23	1,590,728			
<b>Total</b>		<b>\$ 5,935,554</b>	<b>\$ 2,818,583</b>	<b>47.5%</b>	<b>50.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 184,808 3.1%

**Positive**



The City Manager's Office has spent 47.5% of its FY 2022-23 budget through the second quarter, compared to the historical average of 50.6%. In terms of variance from the budget in the second quarter, expenditures are \$184 thousand or 3.1% above the expected amount.



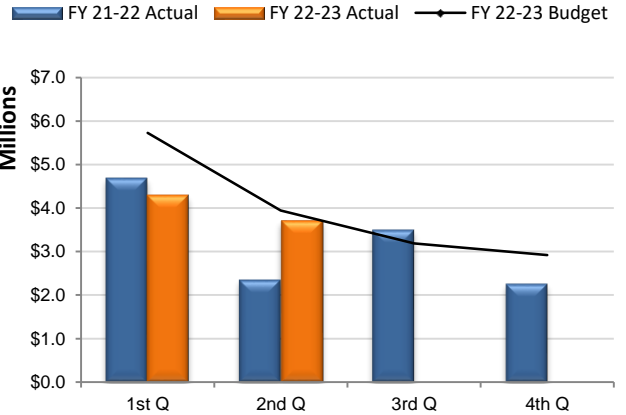
**Community Development**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 5,729,456	\$ 4,293,971	27.2%	36.3%
2nd Q	Oct-Dec 22	3,945,907	3,712,318	23.5%	25.0%
3rd Q	Jan-Mar 23	3,188,292			
4th Q	Apr-Jun 23	2,919,971			
<b>Total</b>		<b>\$ 15,783,626</b>	<b>\$ 8,006,289</b>	<b>50.7%</b>	<b>61.3%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 1,669,074 10.6%

**Positive**



The Community Development Department has spent 50.7% of its FY 2022-23 budget through the second quarter, compared to the historical value of 61.3%. In terms of variance from the budget, expenditures are \$1.67 million or 10.6% below the expected amount.



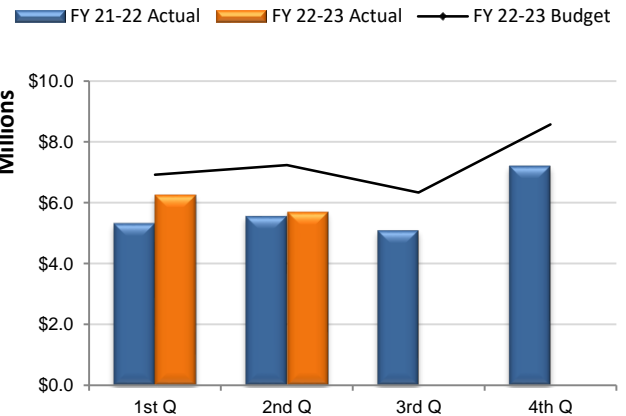
**Community Services**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 6,918,534	\$ 6,262,403	21.5%	23.8%
2nd Q	Oct-Dec 22	7,238,299	5,701,594	19.6%	24.9%
3rd Q	Jan-Mar 23	6,337,145			
4th Q	Apr-Jun 23	8,575,494			
<b>Total</b>		<b>\$ 29,069,472</b>	<b>\$ 11,963,997</b>	<b>41.2%</b>	<b>48.7%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 2,192,836 7.5%

**Positive**



The Community Services Department spent 41.2% of its FY 2022-23 budget through the second quarter, compared to the historical average of 48.7%. In terms of variance from the budget through the second quarter, expenditures are \$2.2 million or 7.5% below the expected amount.



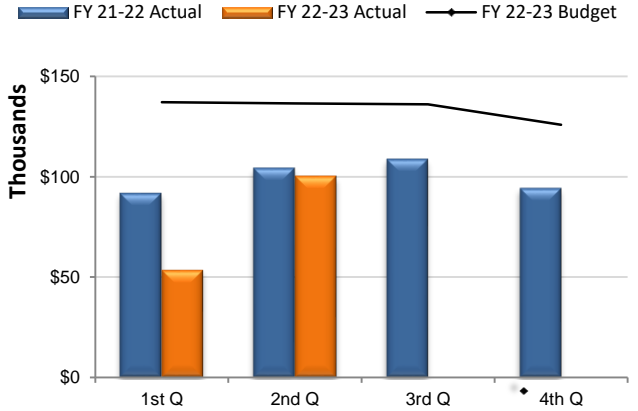
**Diversity, Equity & Inclusion**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 137,139	\$ 53,303	10.0%	25.6%
2nd Q	Oct-Dec 22	136,603	99,979	18.7%	25.5%
3rd Q	Jan-Mar 23	136,068			
4th Q	Apr-Jun 23	125,889			
<b>Total</b>		<b>\$ 535,699</b>	<b>\$ 153,282</b>	<b>28.6%</b>	<b>51.1%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 120,460 22.5%

**Positive**



The Diversity, Equity and Inclusion has spent 28.6% of its FY 2022-23 budget through the second quarter, compared with a historical percentage of 51.1%. In terms of variance from the budget through the second quarter, expenditures are \$120 thousand or 22.5% below the expected amount.



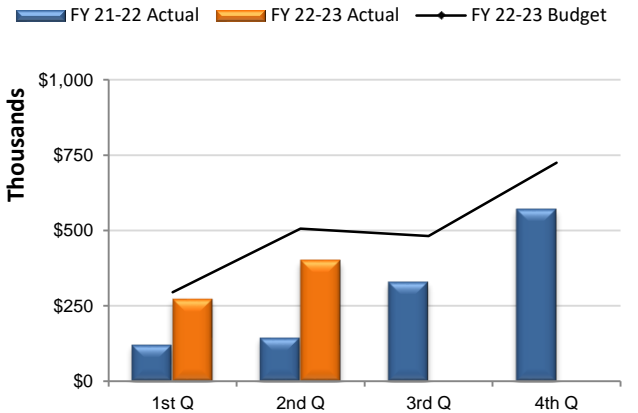
**Economic Development Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 295,085	\$ 272,016	13.6%	14.7%
2nd Q	Oct-Dec 22	505,860	399,805	19.9%	25.2%
3rd Q	Jan-Mar 23	481,772			
4th Q	Apr-Jun 23	724,665			
<b>Total</b>		<b>\$ 2,007,382</b>	<b>\$ 671,821</b>	<b>33.5%</b>	<b>39.9%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 129,124 6.4%

**Positive**



The Economic Development Office has spent 33.5% of its FY 2022-23 budget through the second quarter, compared with a historical percentage of 39.9%. In terms of variance from the budget through the second quarter, expenditures are \$129 thousand or 6.4% below the expected amount.



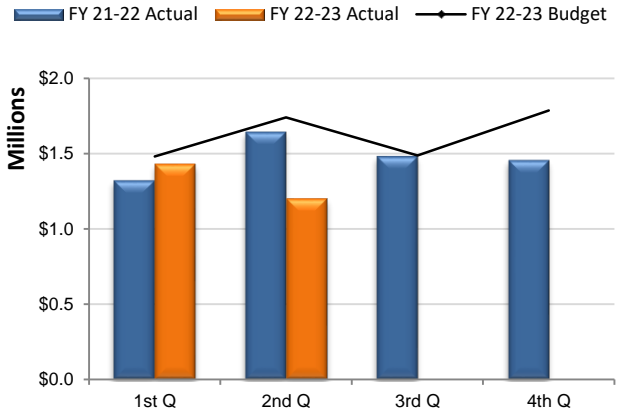
**Engineering & Transportation**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,481,263	\$ 1,427,167	22.0%	22.8%
2nd Q	Oct-Dec 22	1,741,134	1,198,633	18.4%	26.8%
3rd Q	Jan-Mar 23	1,487,760			
4th Q	Apr-Jun 23	1,786,611			
<b>Total</b>		<b>\$ 6,496,768</b>	<b>\$ 2,625,800</b>	<b>40.4%</b>	<b>49.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 596,597 9.2%

**Positive**



The Engineering and Transportation Department has spent 40.4% of its FY 2022-23 budget through the second quarter, compared with a historical percentage of 49.6%. In terms of variance from the budget through the second quarter, expenditures are \$596 thousand or 9.2% below the expected amount.



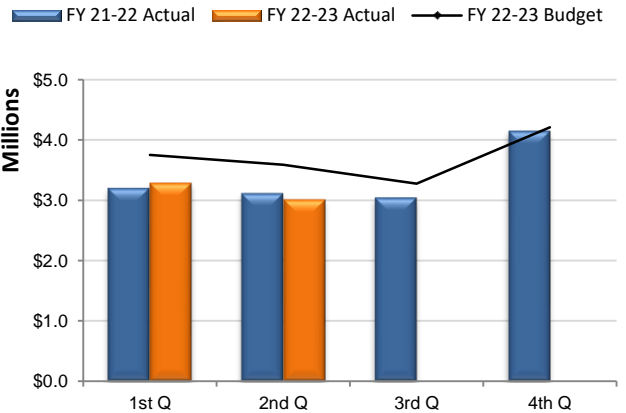
**Financial Services**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 3,750,696	\$ 3,287,286	22.2%	25.3%
2nd Q	Oct-Dec 22	3,587,623	3,012,592	20.3%	24.2%
3rd Q	Jan-Mar 23	3,276,300			
4th Q	Apr-Jun 23	4,210,268			
<b>Total</b>		<b>\$ 14,824,887</b>	<b>\$ 6,299,878</b>	<b>42.5%</b>	<b>49.5%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 1,038,441 7.0%

**Positive**



The Financial Services Department has spent 42.5% of its FY 2022-23 budget through the second quarter, compared with a historical percentage of 49.5%. In terms of variance from the budget through the second quarter, expenditures are \$1.04 million or 7.0% below the expected amount.



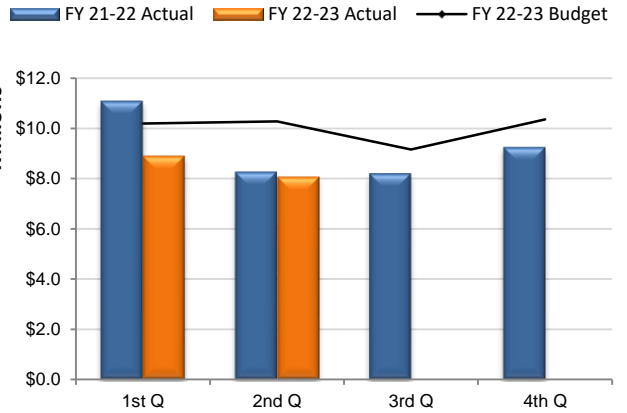
**Fire Medical Rescue**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Exp*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 10,199,864	\$ 8,899,036	22.2%	25.5%
2nd Q	Oct-Dec 22	10,279,863	8,067,558	20.2%	25.7%
3rd Q	Jan-Mar 23	9,159,878			
4th Q	Apr-Jun 23	10,359,862			
<b>Total</b>		<b>\$ 39,999,467</b>	<b>\$ 16,966,594</b>	<b>42.4%</b>	<b>51.2%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 3,513,133 8.8%

**Positive**



The Fire Medical Rescue Department has spent 42.4% of its FY 2022-23 budget through the second quarter, compared with a historical percentage of 51.2%. In terms of variance from the budget through the second quarter, expenditures are \$3.5 million or 8.8% below the expected amount.



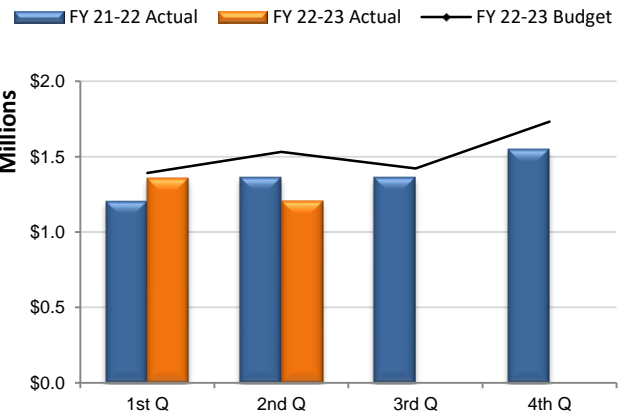
**Human Resources**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,391,658	\$ 1,356,257	22.3%	22.9%
2nd Q	Oct-Dec 22	1,531,432	1,206,341	19.9%	25.2%
3rd Q	Jan-Mar 23	1,422,044			
4th Q	Apr-Jun 23	1,731,977			
<b>Total</b>		<b>\$ 6,077,111</b>	<b>\$ 2,562,598</b>	<b>42.2%</b>	<b>48.1%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 360,493 5.9%

**Positive**



The Human Resources Department has spent 42.2% of its FY 2022-23 budget through the second quarter, compared with a historical average of 48.1%. In terms of variance from the budget through the second quarter, expenditures are \$360 thousand or 5.9% below the expected amount.



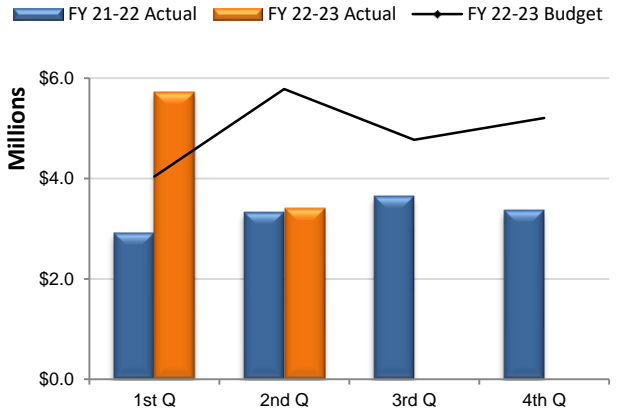
**Human Services**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 4,040,361	\$ 5,713,714	28.8%	20.4%
2nd Q	Oct-Dec 22	5,783,261	3,405,392	17.2%	29.2%
3rd Q	Jan-Mar 23	4,773,171			
4th Q	Apr-Jun 23	5,208,896			
<b>Total</b>		<b>\$ 19,805,689</b>	<b>\$ 9,119,106</b>	<b>46.0%</b>	<b>49.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 704,516 3.6%

**Positive**



The Human Services Department spent 46.0% of its FY 2022-23 budget through the second quarter, compared to a historical average of 49.6%. In terms of variance from the budget in the second quarter, expenditures are \$704 thousand or 3.6% below the expected amount.



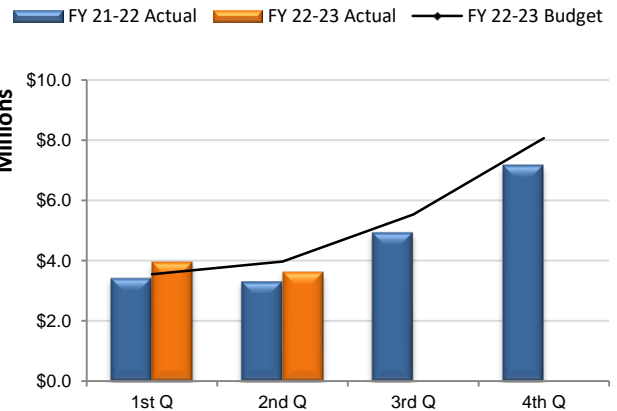
**Information Technology**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 3,547,791	\$ 3,930,019	18.6%	16.8%
2nd Q	Oct-Dec 22	3,970,148	3,602,265	17.1%	18.8%
3rd Q	Jan-Mar 23	5,532,865			
4th Q	Apr-Jun 23	8,067,002			
<b>Total</b>		<b>\$ 21,117,806</b>	<b>\$ 7,532,284</b>	<b>35.7%</b>	<b>35.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ (14,345) -0.1%

**Positive**



The Information Technology Department has spent 35.7% of its FY 2022-23 budget through the second quarter, compared with a historical average of 35.6%. In terms of variance from the budget in the second quarter, expenditures are \$14 thousand or 0.1% above expected amount.





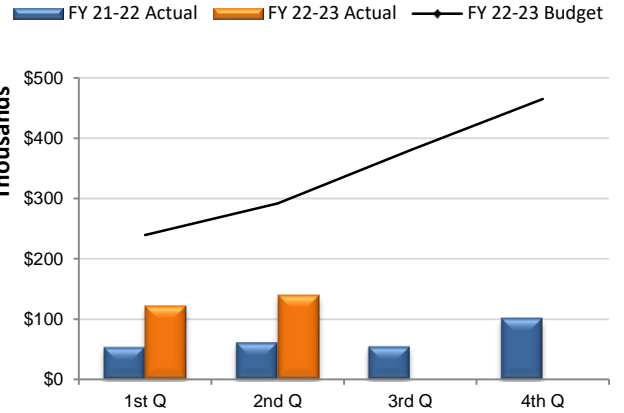
**Strategic Mgmt and Innovation Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 239,373	\$ 121,580	8.8%	17.4%
2nd Q	Oct-Dec 22	291,650	139,356	10.1%	21.2%
3rd Q	Jan-Mar 23	379,696			
4th Q	Apr-Jun 23	464,990			
<b>Total</b>		<b>\$ 1,375,709</b>	<b>\$ 260,936</b>	<b>19.0%</b>	<b>38.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 270,088 19.6%

**Positive**



The Strategic Management and Innovation Office has spent 19.0% of its FY 2022-23 budget through the second quarter, compared with a historical average of 38.6%. In terms of variance from the budget through the second quarter, expenditures are \$270 thousand or 19.6% below the expected amount.



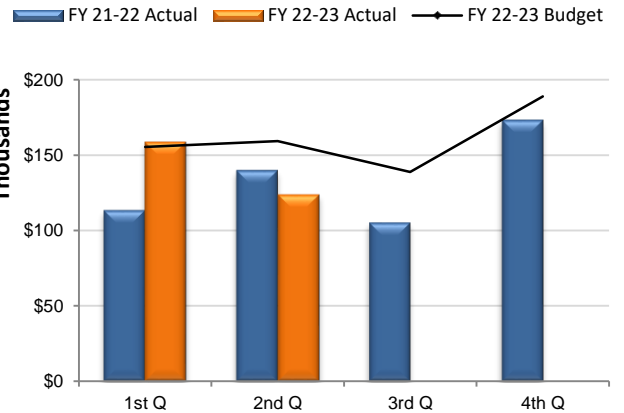
**Internal Audit Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 155,495	\$ 158,599	24.7%	24.2%
2nd Q	Oct-Dec 22	159,350	123,860	19.3%	24.8%
3rd Q	Jan-Mar 23	138,789			
4th Q	Apr-Jun 23	188,907			
<b>Total</b>		<b>\$ 642,542</b>	<b>\$ 282,459</b>	<b>44.0%</b>	<b>49.0%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 32,386 5.0%

**Positive**



The Internal Audit Office has spent 44.0% of its FY 2022-23 budget through the second quarter, compared with a historical average of 49.0%. In terms of variance from the budget through the second quarter, expenditures are \$32 thousand or 5.0% below the expected amount.

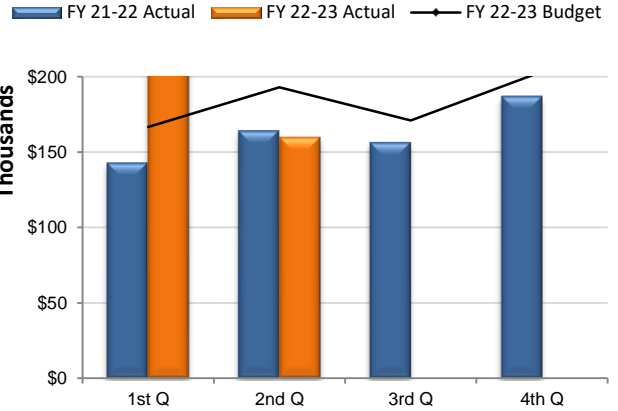


**Mayor & Council**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 166,653	\$ 215,395	29.3%	22.7%
2nd Q	Oct-Dec 22	193,082	159,973	21.8%	26.3%
3rd Q	Jan-Mar 23	171,057			
4th Q	Apr-Jun 23	203,360			
<b>Total</b>		<b>\$ 734,152</b>	<b>\$ 375,367</b>	<b>51.1%</b>	<b>49.0%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ (15,633) -2.1%



**Watch**

The Mayor and Council Department has spent 51.1% of its FY 2022-23 budget through the second quarter, compared with a historical average of 49.0%. In terms of variance from the budget in the second quarter, expenditures are \$15 thousand or 2.1% above the expected amount. It is anticipated that this variance will normalize as the fiscal year progresses.

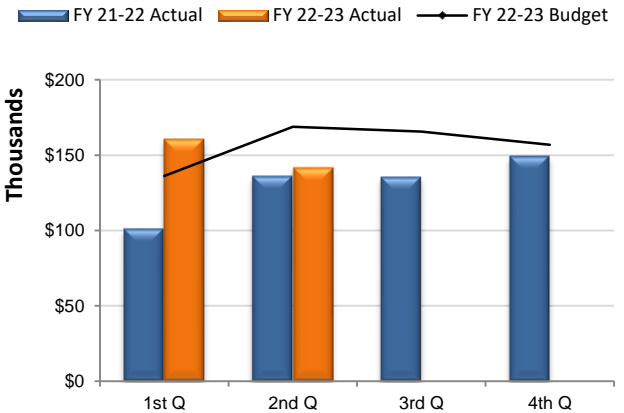


**Municipal Budget Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 136,152	\$ 160,673	25.6%	21.7%
2nd Q	Oct-Dec 22	168,778	141,682	22.6%	26.9%
3rd Q	Jan-Mar 23	165,641			
4th Q	Apr-Jun 23	156,857			
<b>Total</b>		<b>\$ 627,427</b>	<b>\$ 302,355</b>	<b>48.2%</b>	<b>48.6%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 2,575 0.4%



**Positive**

The Municipal Budget Office has spent 48.2% of its FY 2022-23 budget through the second quarter, compared to a historical average of 48.6%. In terms of variance from the budget through the second quarter, expenditures are \$2 thousand or 0.4% below the expected amount.



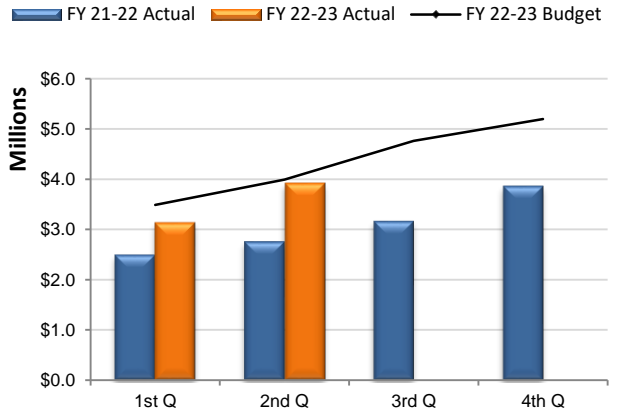
**Municipal Utilities**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 3,487,919	\$ 3,125,654	17.9%	20.0%
2nd Q	Oct-Dec 22	3,993,667	3,903,992	22.4%	22.9%
3rd Q	Jan-Mar 23	4,761,010			
4th Q	Apr-Jun 23	5,197,000			
<b>Total</b>		<b>\$ 17,439,596</b>	<b>\$ 7,029,646</b>	<b>40.3%</b>	<b>42.9%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 451,941 2.6%

**Positive**



The Municipal Utilities Department has spent 40.3% of its FY 2022-23 budget through the second quarter, compared to a historical average of 42.9%. In terms of variance from the budget through the second quarter, expenditures are \$451 thousand or 2.6% below the expected amount.



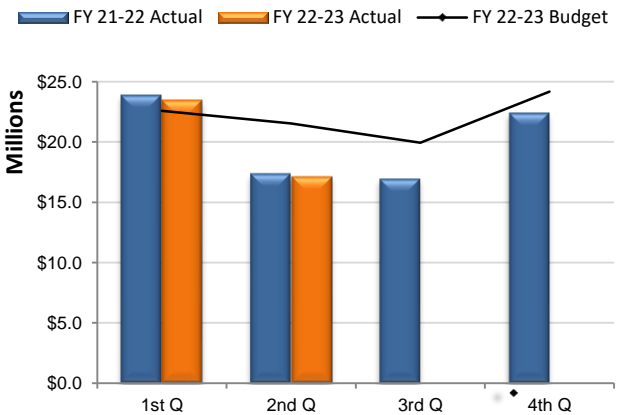
**Police**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 22,588,617	\$ 23,511,162	26.6%	25.6%
2nd Q	Oct-Dec 22	21,529,776	17,168,144	19.5%	24.4%
3rd Q	Jan-Mar 23	19,941,514			
4th Q	Apr-Jun 23	24,176,879			
<b>Total</b>		<b>\$ 88,236,786</b>	<b>\$ 40,679,306</b>	<b>46.1%</b>	<b>50.0%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 3,439,087 3.9%

**Positive**



The Police Department has spent 46.1% of its FY 2022-23 General Fund budget through the second quarter, compared with a historical average of 50.0%. In terms of variance from the budget through the second quarter, expenditures are \$3.4 million or 3.9% below the expected amount.



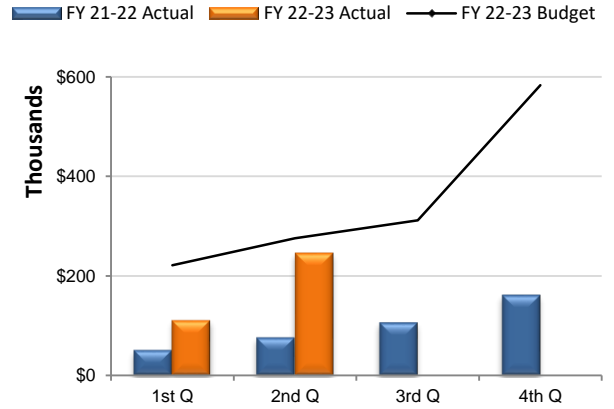
**Sustainability Office**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 221,350	\$ 110,900	8.0%	15.9%
2nd Q	Oct-Dec 22	275,643	245,932	17.7%	19.8%
3rd Q	Jan-Mar 23	311,839			
4th Q	Apr-Jun 23	583,305			
<b>Total</b>		<b>\$ 1,392,137</b>	<b>\$ 356,831</b>	<b>25.6%</b>	<b>35.7%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 140,162 10.1%

**Positive**



The Sustainability Office has spent 25.6% of its FY 2022-23 budget through the second quarter, compared to a historical average of 35.7%. In terms of variance from the budget through the second quarter, expenditures are \$140 thousand or 10.1% below the expected amount.



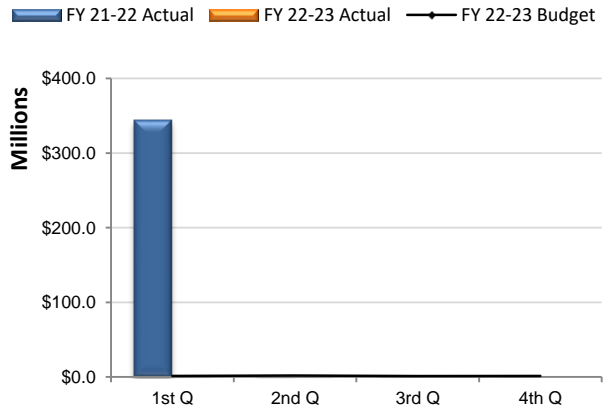
**Non-Departmental**

		FY 22-23 Adopted Budget*	FY 22-23 Actual Expend*	% of Budget Exp	% of Budget Hist
1st Q	Jul-Sep 22	\$ 1,407,673	\$ 1,058,931	18.1%	24.1%
2nd Q	Oct-Dec 22	1,857,428	927,199	15.9%	31.8%
3rd Q	Jan-Mar 23	1,138,989			
4th Q	Apr-Jun 23	1,436,878			
<b>Total</b>		<b>\$ 5,840,968</b>	<b>\$ 1,986,130</b>	<b>34.0%</b>	<b>55.9%</b>

\*amounts are net of internal service charges, and exclude transfers

Variance from Budget \$ 1,278,971 21.9%

**Positive**



The Non-Departmental category of the budget includes items not directly related to the operations of any one City operating department. One example includes the payment of the Tempe Tourism Office's portion of the Bed Tax. Through the second quarter of FY 22-23, Non-Departmental expenditures are 34.0% of the budget compared to the historical pattern of 55.9%. In terms of variance from the budget through the second quarter, expenditures are \$1.3 million or 21.9% below budget.

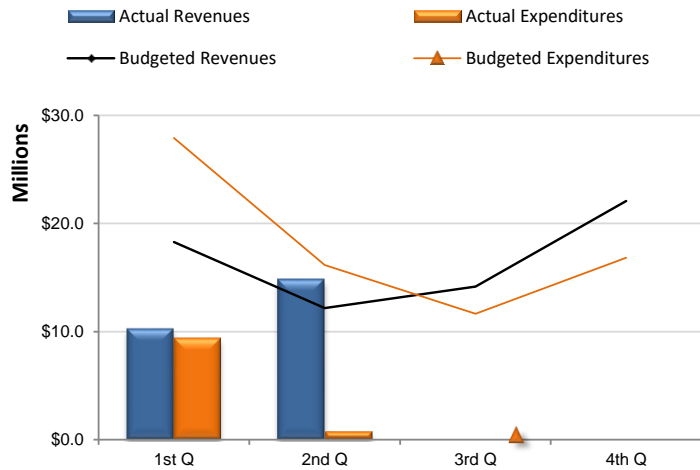


**Transit Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 66,639,039	\$ 25,041,932	37.6%
Transfers In	50,000	-	0.0%
<b>Total Revenues</b>	<b>\$ 66,689,039</b>	<b>\$ 25,041,932</b>	<b>37.6%</b>
Operating	\$ 61,334,910	\$ 4,154,342	6.8%
Capital	75,000	3,961	5.3%
Debt Service	4,691,992	4,572	0.1%
Transfers Out	6,446,941	5,946,941	92.2%
<b>Total Expenses</b>	<b>\$ 72,548,843</b>	<b>\$ 10,109,816</b>	<b>13.9%</b>
<b>Net Rev/Exp</b>	<b>\$ (5,859,804)</b>	<b>\$ 14,932,116</b>	

\*amounts exclude contingencies and encumbrances

**Positive**



The Transit Fund accounts for the receipt of the Mass Transit Tax, a 0.5% tax on sales. Fund resources are dedicated to transit system planning, design, and operations, community outreach, and debt service. Through the end of the second quarter, there is an operating surplus in the Transit Fund of \$14.9 million. Transit Fund revenue is at 37.6% of budget which is below the historical tracking percentage of 45.7%. Expenditures are 13.9% of budget while the historical tracking percentage is 60.7%. The net result is an operating surplus through the second quarter of the fiscal year. The lower than anticipated expenditures is due to a timing difference in payment for fixed-route and light rail services. It is anticipated that both revenues and expenditures will normalize as the fiscal year progresses.

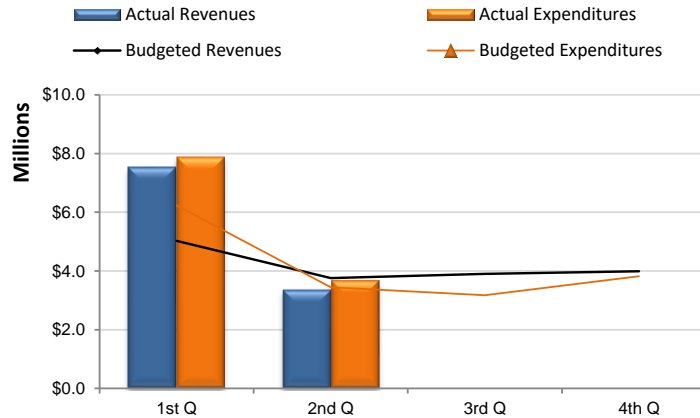


**Highway User Revenue Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 15,173,165	\$ 9,405,653	62.0%
Transfers In	1,500,000	1,500,000	0.0%
<b>Total Revenues</b>	<b>\$ 16,673,165</b>	<b>\$ 10,905,653</b>	<b>65.4%</b>
Operating	\$ 12,476,539	\$ 7,988,446	64.0%
Capital	1,635,751	1,025,573	62.7%
Debt Service	-	-	0.0%
Transfers Out	2,554,547	2,554,376	100.0%
<b>Total Expenses</b>	<b>\$ 16,666,837</b>	<b>\$ 11,568,395</b>	<b>69.4%</b>
<b>Net Rev/Exp</b>	<b>\$ 6,328</b>	<b>\$ (662,742)</b>	

\*amounts exclude encumbrances

**Positive**



The Highway User Revenue Fund (HURF) accounts for the receipt of HURF distributions from the state. These revenues are derived largely from fuel taxes and vehicle registration fees and are allocated based on Tempe's share of state population as well as other factors. HURF resources are dedicated to Street and Traffic Operations, Maintenance, and Construction activities in the City. Revenues are 65.4% of budget compared to a historical average of 52.7%, expenditures are 69.4% of budget compared to the three year historical trend of 58.0%. The net result is an operating deficit through the second quarter of \$662 thousand. The revenue and expense variances are anticipated to normalize as the fiscal year progresses.

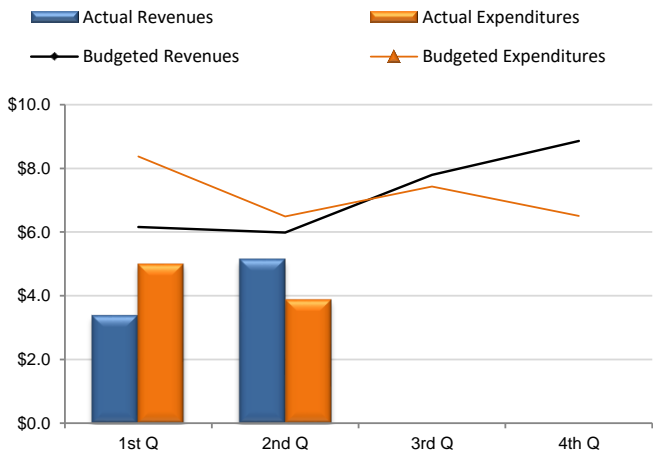


**CDBG/Section 8 Funds**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 28,802,189	\$ 8,521,326	29.6%
Transfers In	-	-	0.0%
<b>Total Revenues</b>	<b>\$ 28,802,189</b>	<b>\$ 8,521,326</b>	<b>29.6%</b>
Operating	\$ 28,096,567	\$ 8,366,486	29.8%
Capital	165,046	-	0.0%
Debt Service	540,576	507,563	93.9%
Transfers Out	-	-	0.0%
<b>Total Expenses</b>	<b>\$ 28,802,189</b>	<b>\$ 8,874,048</b>	<b>30.8%</b>
<b>Net Rev/Exp</b>	<b>\$ -</b>	<b>\$ (352,723)</b>	

\*amounts exclude encumbrances

**Positive**



The Community Development Block Grant (CDBG) and Section 8 Funds are established to account for the receipt and expenditure of federal grants for redevelopment and rental subsidies for low income residents. Revenues through the second quarter total 29.6% of the FY 2022-23 budget, compared to the historical percentage of 42.2%. Expenditures through the second quarter total 30.8% of the FY 2022-23 budget, compared to the historical percentage of 51.6%. The net effect on the fund status through the second quarter is an operating deficit of \$352 thousand. This is largely due to the timing of grant revenue receipts from the federal government.

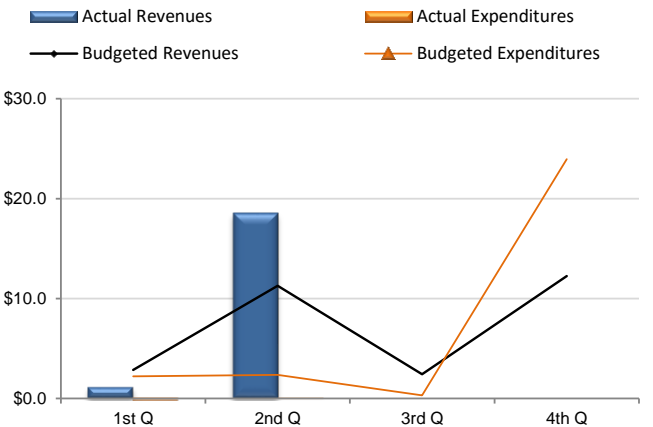


**Debt Service Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 35,773,957	\$ 19,153,526	53.5%
Transfers In	6,069,862	510,363	8.4%
<b>Total Revenues</b>	<b>\$ 41,843,819</b>	<b>\$ 19,663,889</b>	<b>47.0%</b>
Operating	\$ -	\$ -	0.0%
Capital	-	-	0.0%
Debt Service	32,862,152	(111,840)	-0.3%
Transfers Out	8,249,379	-	0.0%
<b>Total Expenses</b>	<b>\$ 41,111,531</b>	<b>\$ (111,840)</b>	<b>-0.3%</b>
<b>Net Rev/Exp</b>	<b>\$ 732,288</b>	<b>\$ 19,775,729</b>	

\*amounts exclude encumbrances

**Positive**



The Debt Service Fund accounts for the receipt of secondary property taxes to be used for payment of debt service on the City's tax supported debt. The City receives significant revenue from the Maricopa County Treasurer's Office in October and May, coinciding with the property tax due dates. The annual secondary tax levy includes the amount necessary to make the annual payments of principal and interest on existing bonds, payments of principal and interest on new debt planned for the ensuing year, plus a reasonable delinquency factor. The majority of the debt service payments as well as all transfers out occur during the last quarter of the fiscal year. Actual revenues through the second quarter are 47.0% of budget compared to the historical tracking percentages of 49.1%. Actual expenditures through the second quarter are (0.3%) of budget, compared to the historical tracking percentages of 15.8%. The net result is an operating surplus of \$19.7 million. The variances in both revenues and expenditures are primarily due to the timing of receipts and bond payments.

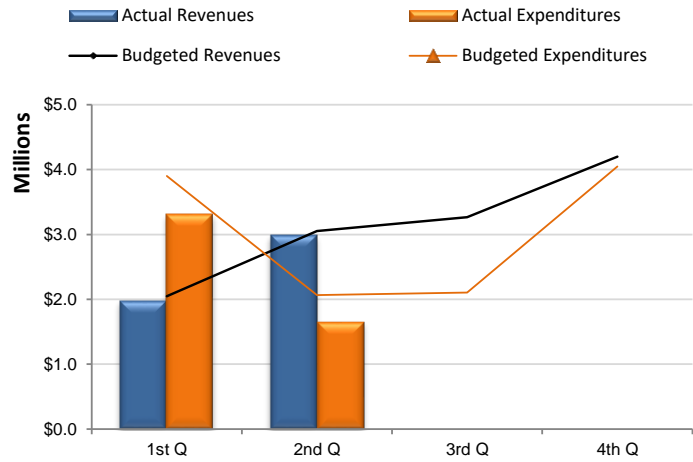


**Arts & Cultural Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$12,316,542	\$4,967,212	40.3%
Transfers In	250,000	-	0.0%
<b>Total Revenues</b>	<b>\$12,566,542</b>	<b>\$4,967,212</b>	<b>39.5%</b>
Operating	\$ 9,992,051	\$ 3,530,429	35.3%
Capital	121,940	6,131	100.0%
Debt Service	583,250	1,500	0.0%
Transfers Out	1,419,500	1,419,500	0.0%
<b>Total Expenses</b>	<b>\$ 12,116,741</b>	<b>\$ 4,957,560</b>	<b>40.9%</b>
<b>Net Rev/Exp</b>	<b>\$ 449,801</b>	<b>\$ 9,652</b>	

\*amounts exclude encumbrances

**Positive**



The Arts & Culture Fund accounts for the receipt of the 0.1% Arts & Cultural Sales Tax, which is used to fund operating expenses associated with the Tempe Center for the Arts (TCA), Tempe History Museum, Edna Vihel Arts Center and other arts and cultural programming. Revenues through the second quarter of FY 2022-23 are 39.5% of budget, compared to the historical tracking percentage of 40.6%. Total expenditures are 40.9% of budget, compared to a historical average of 49.2%. The net result is an operating surplus of \$9.7 thousand.

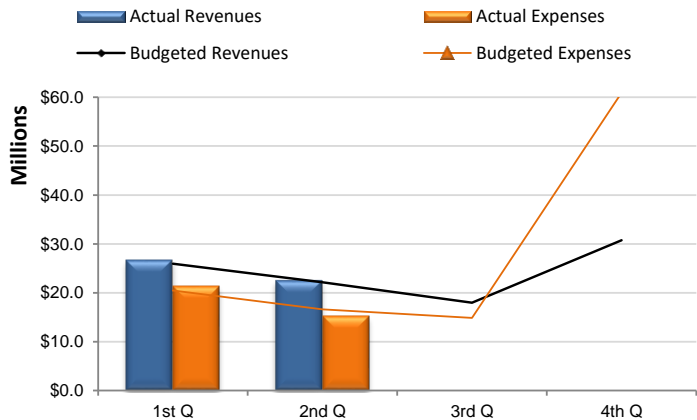


**Water/Wastewater Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 91,225,959	\$ 49,161,390	53.9%
Transfers In	5,552,867	-	0.0%
<b>Total Revenues</b>	<b>\$ 96,778,826</b>	<b>\$ 49,161,390</b>	<b>50.8%</b>
Operating	\$ 51,809,257	\$ 26,072,466	50.3%
Capital	1,541,631	177,996	11.5%
Debt Service	44,286,282	81,947	0.2%
Transfers Out	15,174,821	10,185,210	0.0%
<b>Total Expenses</b>	<b>\$ 112,811,991</b>	<b>\$ 36,517,619</b>	<b>32.4%</b>
<b>Net Rev/Exp</b>	<b>\$ (16,033,165)</b>	<b>\$ 12,643,771</b>	

\*Budget excludes a \$1 million contingency appropriation, encumbrances and inventory

**Positive**



The Water/Wastewater Fund is an enterprise fund used to account for all water and wastewater treatment operations in the City. Total revenues through the second quarter of FY 2022-23 are 50.8%, compared to the historical tracking percentage of 49.7%. Total expenses through the second quarter are 32.4% of budget compared to 32.8% historically. Through the second quarter, the fund posted a \$12.6 million surplus.



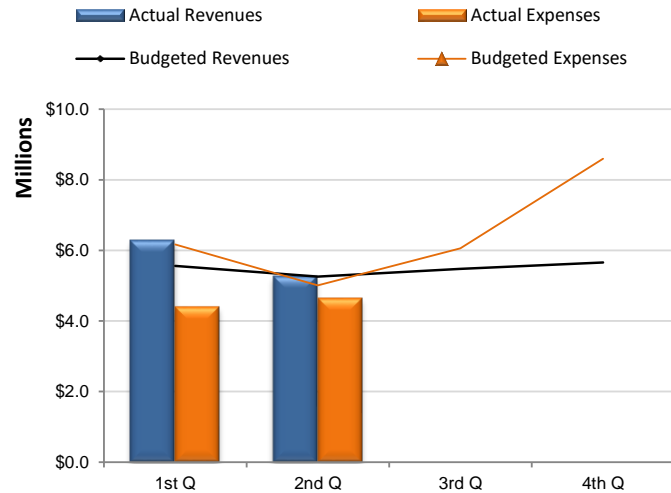
**Solid Waste Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$21,008,724	\$10,602,393	50.5%
Transfers In	939,826	939,826	0.0%
<b>Total Revenues</b>	<b>\$21,948,550</b>	<b>\$11,542,219</b>	<b>52.6%</b>
Operating	\$ 18,991,104	\$ 8,632,085	45.5%
Capital	6,735,481	204,501	3.0%
Debt Service	-	-	0.0%
Transfers Out	108,282	222,853	205.8%
<b>Total Expenses</b>	<b>\$ 25,834,867</b>	<b>\$ 9,059,438</b>	<b>35.1%</b>

Net Rev/Exp \$ (3,886,317) \$ 2,482,780

\*Budget excludes a contingency appropriation and encumbrances

**Positive**



The Solid Waste Fund is an enterprise fund that accounts for the operating, maintenance, and capital costs of providing residential and commercial solid waste services. Total revenues through the second quarter of FY 2022-23 are 52.6% of budget compared to 49.3% historically. Total expenses through the second quarter are 35.1% of budget compared to 43.3% historically. Through the second quarter, the fund posted a \$2.5 million surplus.



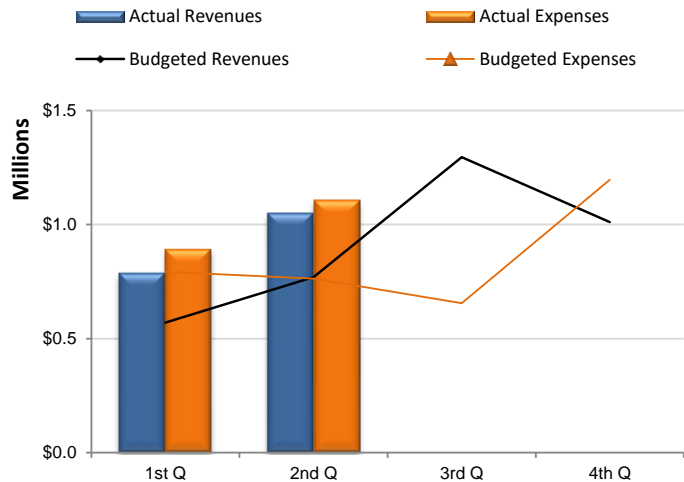
**Golf Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$3,571,659	\$1,761,110	49.3%
Transfers In	74,000	74,000	100.0%
<b>Total Revenues</b>	<b>\$3,645,659</b>	<b>\$1,835,110</b>	<b>50.3%</b>
Operating	\$ 2,577,813	\$ 1,551,947	60.2%
Capital	647,711	386,914	59.7%
Debt Service	-	-	0.0%
Transfers Out	182,450	60,000	32.9%
<b>Total Expenses</b>	<b>\$ 3,407,974</b>	<b>\$ 1,998,861</b>	<b>58.7%</b>

Net Rev/Exp \$ 237,685 \$ (163,751)

\*amounts exclude encumbrances

**Positive**



The Golf Fund is an enterprise fund that accounts for the operations of the city's two municipal golf courses. Revenues generated are used to support the operations of the golf courses, while capital projects on the courses and buildings are funded with bond funds and repaid with secondary property tax. Total revenues through the second quarter of FY 2022-23 are 50.3% compared to the historical tracking percentage of 36.7%. Total expenses through the second quarter are 58.7% of budget compared to the historical tracking percentage of 45.7%. Through the second quarter, the fund has an operating deficit of \$163 thousand.



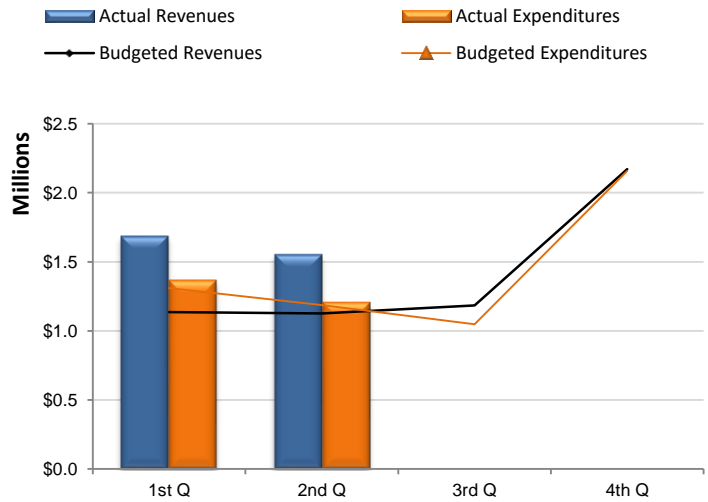


**Emergency Medical Transport**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
Revenues	\$ 5,617,446	\$ 3,241,225	57.7%
Transfers In	-	-	0.0%
<b>Total Revenues</b>	<b>\$ 5,617,446</b>	<b>\$ 3,241,225</b>	<b>57.7%</b>
Operating	\$ 5,244,000	\$ 2,565,114	48.9%
Capital	395,000	(81)	0.0%
Debt Service	-	-	0.0%
Transfers Out	63,890	-	0.0%
<b>Total Expenses</b>	<b>\$ 5,702,890</b>	<b>\$ 2,565,033</b>	<b>45.0%</b>
<b>Net Rev/Exp</b>	<b>\$ (85,444)</b>	<b>\$ 676,192</b>	

\*amounts exclude contingencies and encumbrances

**Positive**



The Emergency Medical Transport Fund is in its fifth year as an enterprise fund that provides for operation, maintenance, and debt service costs associated with providing an ambulance service for medical emergencies within the community. Total revenues through the second quarter of FY 2022-23 are 57.7% of budget compared to the historical average of 40.3%. Total expenses through the second quarter are 45.0% of budget compared to the historical average of 43.8%. Through the second quarter, the fund has an operating surplus of \$676 thousand.

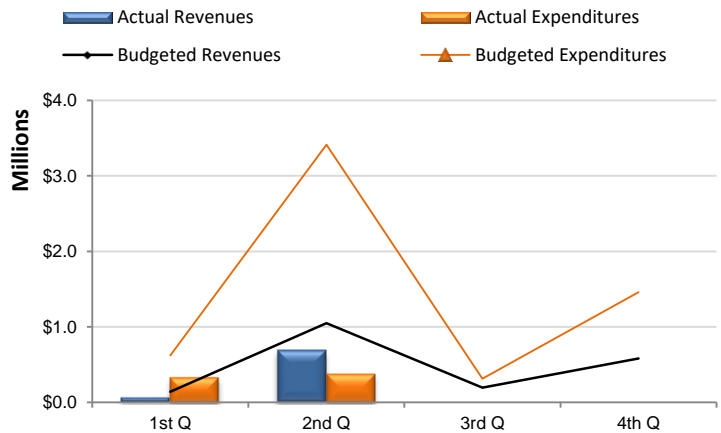


**Restricted Revenue and Donations**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
<b>Total Revenues</b>	<b>\$ 1,963,655</b>	<b>\$ 755,438</b>	<b>38.5%</b>
<b>Total Expenses</b>	<b>\$ 5,807,885</b>	<b>\$ 709,420</b>	<b>12.2%</b>
<b>Net Rev/Exp</b>	<b>\$ (3,844,230)</b>	<b>\$ 46,018</b>	

\*amounts exclude encumbrances and contingency appropriations

**Positive**



The Restricted Revenue and Donations Fund accounts for the receipt and expenditure of restricted revenue and donations related to general governmental activities. Revenues through the second quarter total 38.5%, while expenditures total 12.2% of budget. The \$46 thousand surplus through the second quarter is mostly due to timing of receipt of funds for incurred expenses. It is anticipated that the variance will normalize as the fiscal year progresses.

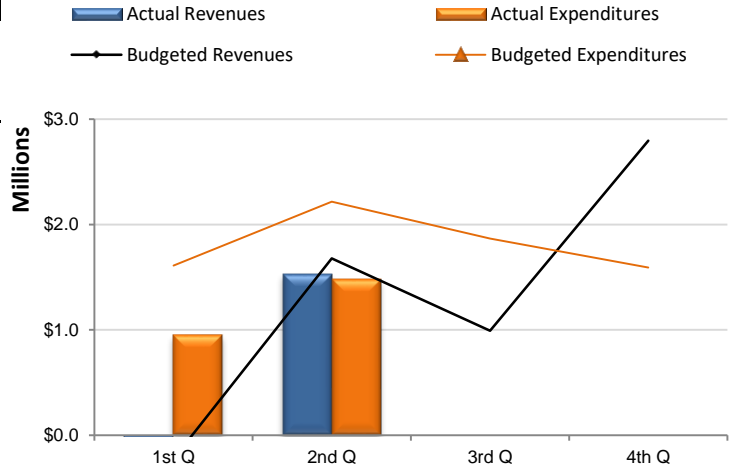


**Police Dept-RICO & Grants**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
<b>Total Revenues</b>	\$ 5,241,860	\$ 1,099,338	21.0%
<b>Total Expenses</b>	\$ 7,288,999	\$ 2,426,516	33.3%
<b>Net Rev/Exp</b>	\$ (2,047,139)	\$ (1,327,178)	

\*amounts exclude encumbrances and contingency appropriations

**Positive**



The Police Dept-RICO & Grants Fund accounts for the receipt and expenditure of grants, donations, asset forfeitures, and tow hearing fines associated with Police Department activities. Revenues through the second quarter total 21.0% of the FY 2022-23 budget, compared to the historical percentage of 27.7%. Expenditures through the second quarter total 33.3% of the FY 2022-23 budget, compared to the historical percentage of 52.5%. The net result on the fund's status through the second quarter is an operating deficit of \$1.33 million. The deficit is due largely to the timing of receipt of grant revenue for reimbursement of expended funds.

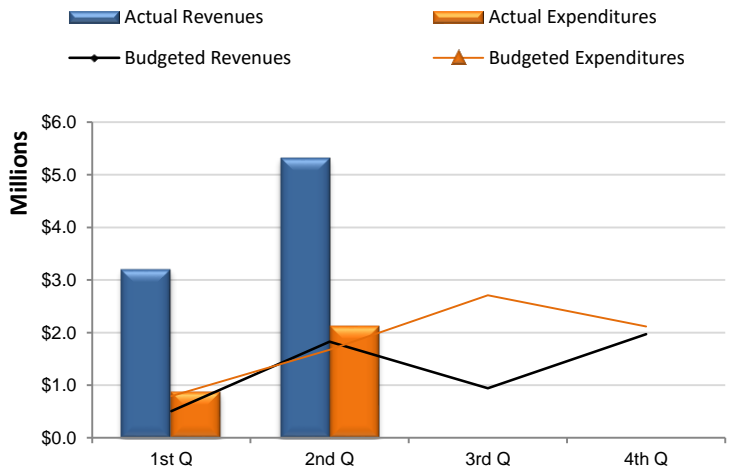


**Governmental Grants**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
<b>Total Revenues</b>	\$ 9,642,937	\$ 8,525,334	88.4%
<b>Total Expenses</b>	\$ 16,263,445	\$ 2,988,528	18.4%
<b>Net Rev/Exp</b>	\$ (6,620,508)	\$ 5,536,806	

\*amounts exclude encumbrances and contingency appropriations

**Positive**



The Governmental Grants Fund accounts for the receipt and expenditure of grants related to general governmental activities. Revenues through the second quarter of FY 2022-23 total 88.4%, compared to the historical percentage of 44.5%. Expenditures through the second quarter total 18.4% of the FY 2022-23 budget, compared to the historical percentage of 33.8%.

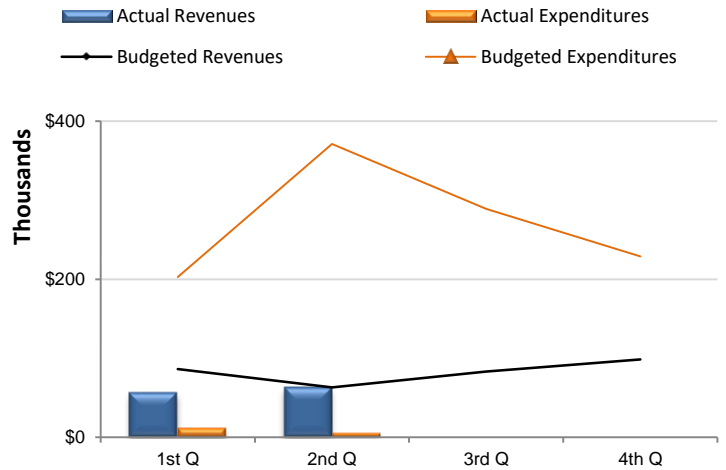


**Court Enhancement Fund**

	FY 22-23 Budget	FY 22-23 2Q Actual*	% Budget to Date
<b>Total Revenues</b>	\$ 330,643	\$ 118,899	36.0%
<b>Total Expenses</b>	\$ 1,091,991	\$ 15,805	1.4%
<b>Net Rev/Exp</b>	\$ (761,348)	\$ 103,094	

\*amounts exclude encumbrances and contingency appropriations

**Positive**



The Court Enhancement Fund is established to account for fine, fee and forfeiture revenues dedicated for City Court purposes pursuant to state statute and city code. Revenues through the second quarter total 36.0% of the FY 2022-23 budget, compared to the historical percentage of 45.1%. Expenditures through the second quarter total 1.4% of the FY 2022-23 budget, compared to the historical percentage of 52.6%. This results in a surplus of \$103 thousand.