



City Council Weekly Information Packet

Friday, June 30, 2023

Includes the following documents/information:

- 1) City Council Events Schedule
- 2) State and Federal Updates & Grant Opportunities
- 3) Fiscal Year (FY) 2023-2024 Budget in Brief
- 4) Tax Revenue Statistical Report – May 2023
- 5) Audit Department - Final Report
- 6) Labor and Equipment Hourly Rates
- 7) Tempe This Week: the podcast
- 8) Engineering & Transportation Department Update
- 9) Community Services Department Update



City Council Events Schedule

June 30, 2023 thru November 11, 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	June 23	6:00 p.m. – 9:00 p.m.	Arizona Theatre Company: Partnership Stakeholder Dinner Location: Tempe Center for the Arts 700 W. Rio Salado Parkway Tempe, AZ
Sat	June 24	2:00 p.m. – 4:00 p.m.	Kyrene Peaker Plant Townhall Location: Tempe Public Library – Desert Willow Room 3500 S. Rural Road Tempe, AZ
Fri	June 30	5:30 p.m. – 8:45 p.m.	Tempe Sister Cities Welcome Dinner Location: Arizona Community Church 9325 S. Rural Road Tempe, AZ
Fri	July 14	1:00 p.m. – 5:00 p.m.	2023 Summer Youth Volunteer Application Event Location: Main Event – Tempe 8545 S. Emerald Drive Tempe, AZ
Thur	July 20	6:30 p.m. – 8:00 p.m.	The Engine Inside Film Premiere – Hosted by CleanUp Papago Location: Harkins Theater 2000 E. Rio Salado Parkway Tempe, AZ
Tues	Aug 1	6:00 p.m. – 7:30 p.m.	2023 Career Ready Tempe Celebration Event Location: Rio Salado College Conference Center 2323 W. 14 th Street Tempe, AZ
Tues	Sept 12	5:00 p.m. – 7:00 p.m.	MYAC Kick-Off Retreat Location: Tempe History Museum 2500 S. Rural Road Tempe, AZ

Fri	Sept 22	4:00 p.m. – 11:59 p.m.	Boots in the Park Location: Tempe Beach Park 80 W. Rio Salado Parkway Tempe, AZ
Wed	Sept 27	5:30 p.m. – 9:00 p.m.	40 th Annual Don Carlos Humanitarian Awards Location: SRP Pera Club 1 E. Continental Drive Tempe, AZ
Sat	Nov 11	10:00 a.m. – 1:00 p.m.	Diwali and Veterans Day Assembly Location: Kyrene Del Norte Dual Language Academy 1331 E. Redfield Drive Tempe, AZ

06/30/2023 JR

MEMORANDUM



TO: Mayor and City Council
THROUGH: Rosa Inchausti, City Manager
FROM: Marge Zylla, Government Relations Officer
DATE: June 30, 2023
SUBJECT: State and Federal Update & Grant Opportunities

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

- State Legislative Update
- Regional Socioeconomic Projections
- Rio Reimagined Staffing, Grant Timing Updates
- Letter to EPA, Regional Ozone Issue
- Federal Funds Connect Local Communities: City of Tempe Awarded New Transportation Grant
- FTA Low-No Emission Grant Award
- Grant Opportunities

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.

State Legislative Update

Today is the 173rd day of the 2023 state legislative session and 1,672 bills have been introduced. Of the 345 bills that have passed, 202 have been signed into law, and 143 have been vetoed.

The legislature is slated to resume activity on July 31st. The legislature may continue to stay in session after that time, potentially recessing temporarily again.

The legislature has not taken action on bills in the past week. Policy work on bills is purportedly concluded, for the most part. Without the legislature adjourning completely for the session (also known as adjourning sine die), the general effective date of the legislation passed this session is not official. Typically, the legislature will adjourn, work will commence of compiling the final dispositions and effects of all the bills, and the League of AZ Cities and Towns will release a New Laws Report. Since this year has an atypical schedule, the city will include the final (or mostly final) disposition of the tracked bills to this memo and then will pause on bill updates until the New Laws Report is made available. This memo will continue to provide relevant updated. However, in coming weeks, this memo will not feature the multi-page attachment with the hundreds of bills that the city tracks and organizes by department.

The tracking list that follows this memo includes the summaries of bills that may be of interest to Tempe. These lists are not entirely exhaustive. 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”.

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

Regional Socioeconomic Projections

The Maricopa Association of Governments (MAG) modeling staff has prepared and the MAG Regional Council has adopted the new set of regional socioeconomic projections for the region. Mayor Woods serves as Tempe’s representative on the MAG Regional Council. Comments and feedback were provided by regional entities leading up to the adoption of the projections.

The data can be found on the MAG website: <https://azmag.gov/Programs/Maps-and-Data/Population-Housing/socioeconomic-Projections>. MAG has also launched a new interactive map viewer with the projections data here: <https://geo.azmag.gov/maps/projections/>. Additional data and features will continue to be added to the viewer over the next few months, as the MAG modeling team works to finalize additional details for the projections.

Rio Reimagined Staffing, Grant Award Timing Updates

This week, the MAG Regional Council approved the selection of MCF Strategies as the Rio Reimagined ambassador. Maria Fuentes was approved as an addition to the Rio Reimagined team and will be working individually and collectively with each Rio Reimagined community.

MAG also conveyed that the extension for the approval for the federal EPA grant has been granted and the new deadline is March 30, 2024. MAG is in the process of signing the agreement with Sacramento State for MAG to receive the first year of funding from the EPA.

Rio Reimagined Background:

Tempe is one of 11 entities that are party to the Rio Reimagined agreement. Additional reference information is available at the Tempe City Council agenda item 7C4 at [this link](#).

In 2020, the EPA gave the Rio Reimagined project special designation under the [Urban Waters Federal Partnership](#) to streamline processes, pave the way for more grants, and foster collaboration between federal agencies, local leaders, and community organizations to distribute the funding as they see fit.

The Urban Waters Federal Partnership [Act](#) authorizes the Urban Water Federal Partnership Program, and provides additional funding and support to the 20 federal projects, including Rio Reimagined, that are a part of the federal program.

Letter to EPA, Regional Ozone Issue

Attached is a letter that was sent on behalf of the region to Michael Regan, Administrator for the U.S. Environmental Protection Agency.

Federal Funds Connect Local Communities: City of Tempe Awarded New Transportation Grant Via the Rio Reimagined Quarterly Update, 6/29/23

Congratulations to the City of Tempe on its selection for the inaugural U.S. Department of Transportation Thriving Communities grant, which will advance transit-oriented efforts in the 'Apache Corridor' on the south banks of the RIO by maximizing the use of the light rail. This project will address current pedestrian safety risks, reduce traffic congestion, and lessen carbon emissions, all while cultivating strong local economies. Tempe was the only Arizona neighborhood and 1 of 3 in the Southwest selected for the "Complete Neighborhood" category in the FY 2022 program. Tempe is joined by multiple community organizations on this project: [RAIL CDC](#), [Pinnacle Prevention](#), [ASU's Knowledge Exchange for Resilience](#) and [Culdesac](#).

For more information visit the [Thriving Communities webpage](#).

FTA Low-No Emission Grant Award

Via Valley Metro, 6/26/23

Valley Metro is part of the Federal Transit Administration's announcement today of **Low-No Emission grant awards**. With the significant investment provided by the Bipartisan Infrastructure Bill, 130 awards were made [today](#), totaling nearly \$1.7 billion across 46 states and territories. **Valley Metro was awarded \$13.3 million** to invest in battery electric buses and supporting infrastructure, including charging stations, bus facility upgrades and workforce development to train our local workforce on this new technology. This grant award would not be possible without our \$2.1 million local match investment provided by Proposition 400.

To note: More information on the award is available in the Engineering & Transportation section of today's Weekly Information Packet.

Grant Opportunities

Via Connected Nation News, 6/29/23

In addition to the information accompanying the launch of [Online for All](#) included in last week's Weekly Information Packet memo, the National Telecommunications and Information Administration (NTIA) recently announced how it allocated \$42.45 billion in federal funds to all 50 states, the District of Columbia, and five territories to deploy affordable, reliable high-speed internet to everyone in America. The press release with that information is available at [this link](#). As part of the [Internet for All](#) initiative, there are a number of grant programs. The grant opportunities are available at [this link](#).

EV Infrastructure Opportunities

Via the League of Arizona Cities and Towns

Two resources that Plug In America has recently updated/released in partnership with AZ PIRG and SWEEP:

- [Securing Federal Funding to Drive the EV Transition](#) - This guide, prepared by Plug In America and the Southwest Energy Efficiency Project (SWEEP), provides a range of resources to assist local stakeholders and planners in accessing and leveraging federal funding opportunities.
- Federal Funding Available for Transportation Infrastructure, Electric Vehicles, & Supply Chain Investments in Arizona (attached) - This factsheet includes a breakdown of transportation and EV grants and opportunities from the IIJA that are expected to be available in the near-term (or are available now.)

HB2019 - Licensing; permitting; criteria; clarity

Summary: If a county or municipality requires a license or permit for any free speech or assembly activity or any activity that changes the use, appearance, or density of a structure or land, the county or municipality is required to specify in clear and unambiguous language the criteria for granting the license or permit, unless criteria are established by existing state or federal law. Counties and municipalities are required to approve or deny an application for such a license or permit within 60 days after a submittal is deemed administratively complete. Some exceptions. AS SIGNED BY GOVERNOR

Comment: Signed into law. Improved with amending language. Earlier: Oppose

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

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

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, or 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

Comment: Dead

Tracking Lists: HR, CAO, Finance Budget Procurement Audit

HB2214 - Session law; font color

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

Comment: Signed into law

Tracking Lists: CAO

HB2223 - Liquor; licensing; processes; procedures

Summary: Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary basis a 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 SIGNED BY GOVERNOR

Comment: Signed into law. Earlier: Potential opportunity for amending language

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

HB2254 - Rulemaking; regulatory costs; legislative ratification

Summary: If a proposed rule was estimated to increase regulatory costs in Arizona in excess of \$500,000 within five years after implementation or to have an adverse impact on economic growth in Arizona in excess of \$500,000 within five years after implementation, the proposed rule would have been prohibited from becoming effective until the Legislature enacted legislation ratifying the proposed rule. The agency would have been prohibited from filing a final rule with the Secretary of State before obtaining legislative approval of the rule through legislation. Emergency rules would have been exempt. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that the rulemaking process state agencies follow is rigorous, transparent, and effective.

Comment: Vetoed

Tracking Lists: CAO

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 would have been required to render a written opinion to determine the constitutionality of any federal law, treaty, order, rule, regulation, action, or program that was alleged to be inconsistent with or contrary to the authority of state or local law enforcement agencies. The laws of Arizona would have been required to be interpreted and construed to protect Arizona's sovereign authority against federal actions. To the extent that any law, treaty, executive order, rule, or regulation of the U.S. government had been found by a court of competent jurisdiction to violate Article II, Section 3 of the state Constitution or the 10th amendment to the U.S. Constitution, that law, treaty, executive order, rule, or regulation would have been declared null, void, and unenforceable in Arizona. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill would create ambiguity within law enforcement and conflict for federally funded and administered programs in Arizona.

Comment: Vetoed

Tracking Lists: CAO, PD

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 actions) 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.

Comment: Dead

Tracking Lists: CAO, PD

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.

Comment: Dead

Tracking Lists: Neighborhoods, CAO

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 dogs or cats by a pet store or pet dealer.

Comment: Dead

Tracking Lists: Neighborhoods, CAO

HB2348 - Auxiliary containers; regulation; prohibition; repeal

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 bags, 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience, CAO

HB2377 - Public officers; lobbying; prohibition

Summary: A "public officer" (defined) would have been prohibited from engaging in "lobbying" (defined elsewhere in statute), except when acting in the public officer's official capacity. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill creates meaningful first amendment concerns.

Comment: Vetoed

Tracking Lists: CAO

HB2441 - Standpipe service; continuation; emergency (State tree; residential planning)

Summary: On the effective date of this legislation, a municipality that provided water service in a county with a population of more than 1.5 million persons (Maricopa County) would have been required to execute a treat and transport agreement with one or more third parties and, for a period of up to three years, would have been required to treat and transport water to a standpipe and allow use of the standpipe for water to be hauled to residences that were outside the municipality's water service area if a list of specified conditions applied, including that the number of residences to be served was capped at 750, the municipality previously provided standpipe service to water haulers that deliver water to the residences, and there was no other source of water for those persons within ten miles of their residences. The municipality would have been required to be reimbursed for the full reasonable costs of treating and transporting the water and allowing the water to be hauled from the standpipe. These provisions would have self-repealed January 1, 2026. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill fails to provide an immediate solution and called on the Legislature to send

HB2561 to her desk, a bipartisan solution that addresses the long-term issue of wildcat development and that includes an emergency clause for immediate effect.

Comment: Vetoed

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

HB2517 - Government documents; sex identification

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.

Comment: Dead. Companion bill--SB1524

Tracking Lists: CAO

HB2630 - Tobacco; alternative nicotine; vapor products

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: Dead. Earlier: Likely dead - failed in committee

Tracking Lists: CAO, PD, Economic Development

HB2808 - Public records; time frame

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

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

HB2809 - Public infrastructure improvements; reimbursement

Summary: Increases the 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 to \$200 million, from \$100 million. AS PASSED SENATE

Comment: Signed into law. Local government supported

Tracking Lists: CAO, Community Development, Economic Development

HCR2018 - Maricopa county; division; new counties

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 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 their 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 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.

Comment: Dead

Tracking Lists: CAO

SB1006 - Municipal notices and ordinances; posting

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.

Comment: Signed into law

Tracking Lists: CAO, Clerk and Elections

SB1011 - Municipalities; partisan elections

Summary: Municipal elections would have been allowed to be held with the candidate's political party registration indicated on the ballot. Would have applied to municipal elections held on or after January 1, 2024. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that Arizona communities are not asking for local elections to be partisan affairs.

Comment: Vetoes

Tracking Lists: CAO, Clerk and Elections

SB1015 - Unlawful public sale of animals

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.

Comment: Dead

Tracking Lists: CAO

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.

Comment: Dead

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

SB1021 - Attorney general; legislature; legal challenges

Summary: The Attorney General would have been required to defend the constitutionality of any law passed by the Legislature and signed by the Governor in any legal proceeding. The Attorney General would have been required to be relieved from this duty by providing notice to the Speaker of the House of Representatives and the President of the Senate stating that s/he does not intend to defend the law at least ten days before filing any substantive or dispositive pleading regarding the constitutionality of the challenged law. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that the litigation choices made by the Attorney General are dictated not only by state law, but also by allegiance to the U.S. Constitution and her ethical duties as an attorney.

Comment: Vetoes

Tracking Lists: CAO

SB1022 - Pedestrians; selling goods; begging; medians

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.

Comment: Dead

Tracking Lists: CAO, PD

SB1024 - Public rights-of-way; unlawful acts

Summary: A person would have been 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. Would not have applied to a commercial motor vehicle. AS VETOED BY GOVERNOR. In her veto letter, the Governor stated that this bill does not solve Arizona's housing and homelessness crisis in a meaningful way.

Comment: Vetoes

Tracking Lists: CAO, PD

SB1025 - Political signs; tourism zones

Summary: The area of each commercial tourism political sign free zone designated by a municipality would have been limited to 10 percent of the total area of the municipality, and each zone would have been required to have a "reock score" (calculation specified) of 0.10 or more. Municipalities would have been allowed to establish one or more areas within its zones in which political signs were allowed but would have been required to include those areas in calculating the area of the zone to determine compliance with these requirements. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that it is unclear what problem this bill aims to solve and that Arizonans are not asking for more campaign signs in their communities.

Comment: Vetoed

Tracking Lists: CAO, Community Development

SB1059 - Animal shelter; rescue organization; definition (Animal shelter; definition)

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

Comment: Dead

Tracking Lists: CAO

SB1060 - Animal owners; definition

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: CAO

SB1061 - Public officials; home addresses; confidentiality

Summary: An "election officer" and a "public official" (both defined) are added to the list of persons who may request that the general public be prohibited from accessing public records containing that person's identifying information that are maintained by the county or the Arizona Department of Transportation. It is a class 5 (second lowest) felony to knowingly make available on the internet the personal information of an election officer or public official. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, CAO

SB1067 - Study committee; animal control standards

Summary: Establishes a 15-member Joint Study Committee on Statewide Animal Control Standards to research and report on the need for statewide consistency of 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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: CAO

SB1092 - Attorney discipline; revocation; prohibited basis

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.

Comment: Dead

Tracking Lists: CAO

SB1096 - Firearms; contracts; prohibited practices

Summary: A "public entity" (defined) would have been prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology, or construction unless the contract included a written certification that the company did not, and agreed for the duration of the contract that it would not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS VETOED BY GOVERNOR. In her veto letter, the Governor called the bill unnecessary and expressed concern that it could result in banks leaving Arizona's market, resulting in increased costs for local governments.

Comment: Vetoed

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

SB1116 - Political signs; public roadways; prohibition

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

Comment: Dead

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

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

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 ten 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.

Comment: Dead. 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

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 their 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 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. Effective January 1, 2024.

Comment: Dead. Oppose

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

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.

Comment: Dead

Tracking Lists: CAO

SB1162 - Home-based businesses; restrictions; prohibition

Summary: A home-based business would have been required to be allowed as a use by right if the home-based business did 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 would have been disallowed from prohibiting a "no-impact home-based business" (defined) or from requiring a person to apply for, register, or obtain a permit, license, variance or other type of prior municipal approval to operate a no-impact home-based business. Counties and municipalities would have been authorized to establish reasonable regulations on a home-based business if the regulations were 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this approach to supporting small businesses is too broad and would create challenges for public safety and code enforcement in neighborhoods.

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

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

SB1164 - Workers' compensation; fraud investigations; adjudications

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, and to the appropriate county attorney or the Attorney General for prosecution. Also amends HB2431 as transmitted to the Governor to state that the total

aggregate maximum amount of the additional premium each commercial workers' compensation insurer may charge and collect from all fire district insureds is \$800,000. AS PASSED HOUSE

Comment: Signed into law

Tracking Lists: HR, CAO

SB1167 - Unemployment insurance; benefit amounts; definition

Summary: Reduces the maximum amount of unemployment insurance benefits during a benefit year to between 12 and 20 times the individual's weekly benefit amount, based on the unemployment rate in the prior calendar quarter, as follows: 12 times for an unemployment rate of 5 percent or less; 13 times for an unemployment rate of 5 to 5.5 percent; 14 times for an unemployment rate of 5.5 to 6 percent; 15 times for an unemployment rate of 6 to 6.5 percent; 16 times for an unemployment rate of 6.5 to 7 percent; 17 times for an unemployment rate of 7 to 7.5 percent; 18 times for an unemployment rate of 7.5 to 8 percent; 19 times for an unemployment rate of 8 to 8.5 percent; and 20 times for an unemployment rate of more than 8.5 percent. Previously, the maximum was 26 times the weekly benefit amount if the unemployment rate was 5 percent or more, and 24 times the weekly benefit amount if the unemployment rate was less than 5 percent.

Comment: Dead

Tracking Lists: HR, CAO

SB1234 - Prohibition; photo radar

Summary: State agencies and local authorities would have been prohibited from using a photo enforcement system to identify violators of traffic control devices and speed regulations. Statutes authorizing and regulating photo enforcement systems would have been repealed. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that photo radar is an important tool for law enforcement that allows for a more efficient allocation of limited police resources.

Comment: Vetoes. City opposition

Tracking Lists: CAO

SB1246 - Election; transportation tax; Maricopa County (~~Electronic certificates of title~~)

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 County) is required to levy a tax of up to 8.6 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Specifies the distribution of net revenues from the tax levy, with 53.5 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, 18.5 percent of revenues distributed to the Regional Area Road Fund for major arterial streets and regional programs, and 28 percent to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation mode classifications. Revenue collected from the tax is prohibited from being used for any light rail, commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing lane miles on a street or roadway, with some exceptions. 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 County) is required to levy a tax of up to 1.3 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Net revenues from the tax levy are distributed to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation modes and capital costs and utility relocation costs associated with light rail public transit systems. Revenue collected from the tax is prohibited from being used for any light rail extension or commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing land miles on a highway or state highway, with some exceptions. Public monies, including the transportation excise tax monies, are prohibited from being used to extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix. Session law outlines requirements for an election on the transportation excise taxes authorized by this legislation, including election dates, ballot format, and publicity pamphlet requirements. 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. Establishes requirements for the public transportation element of the regional transportation plan, including performance standards for bus routes. The state, counties, municipalities, and political subdivisions are prohibited from restricting the use or sale of a device based on the energy source used to power the device or that is consumed by the device. The speed limit for all types of motor vehicles is at least 65 miles per hour on the interstate system highways located in a county with a population of 3 million or more persons (Maricopa County). Modifies the membership of the Regional Planning Agency Transportation Policy Committee. Contains a legislative intent section. Severability clause. AS PASSED HOUSE

Comment: Vetoes. Striker contains approval for a countywide ballot measure that does not represent the unanimously-approved regional transportation plan. Oppose. Striker changed topic from the original certificates of title bill proposal, no longer relevant to fleet for that reason.

Tracking Lists: Neighborhoods, CAO, Finance Budget Procurement Audit, Engineering and Transportation, Municipal Utilities - Fleet and Waste

SB1251 - Working animals; restrictions; prohibition

Summary: Counties and municipalities would have been prohibited from enacting ordinances or policies that prohibited or unduly restricted 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill is a solution in search of a problem.

Comment: Vetoes

Tracking Lists: CAO, Community Services

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 that is 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: Dead. 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

SB1268 - Annexation; notice; approval

Summary: The requirements for municipal annexation would have been modified to require a petition signed by the owners of 60 percent or more, instead of 50 percent or more, in value of the real and personal property and more than 60 percent, instead of 50 percent, of the persons owning real and personal property that would be subject to taxation by the municipality in the event of annexation. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this bill undermines the consistent, orderly, and successful development of Arizona's communities.

Comment: Vetoed

Tracking Lists: CAO, Community Development

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 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 SIGNED BY GOVERNOR

Comment: Signed into law

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

SB1308 - Fireworks; aerial devices; retailers; licensure

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.

Comment: Dead

Tracking Lists: CAO, PD, FMR

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 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

Comment: Dead

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

SB1321 - Backyard fowl; regulation; prohibition (Appropriation; Little Colorado River levee.)

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

Comment: Likely dead. Passed both chambers but not signed by GKH. Striker includes language to require allowances for backyard fowl, within specific parameters. Language is similar, but does not perfectly align with current Tempe regulations.

Tracking Lists: Neighborhoods, CAO, Community Development

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 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.

Comment: Dead

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

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 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 within 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 to a listing of all current notices and ordinances on the website's home page.

Comment: Dead

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

SB1413 - Homeless encampment; removal

Summary: On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality would have been required to notify the owner to remove the owner's tent, structure, or other personal property from the area in which the encampment is located. If removal did not occur within 24 hours, the county or municipality would have been required to claim the property and retain the property for 14 days, during which the owner would have been allowed to claim the property. Unclaimed property would have been allowed to be disposed of as provided in statute. Persons living at an encampment located on private property would have been deemed guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use would have been deemed guilty of the appropriate drug-related offense. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this legislation does not address the root causes of homelessness, offers no pathways to assistance, and effectively criminalizes experiencing homelessness.

Comment: Vetoed

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

SB1418 - Religious; political beliefs; adverse actions (Attorneys; court professionals; discipline; juries)

Summary: A "government agent" (defined) is prohibited from initiating, taking, conducting, assisting, or participating in an "adverse action" (defined as a criminal or civil investigation, prosecution, or similar proceeding) against any natural person if a substantial motivation for the government agent's decision to do so is motivated 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 deemed unenforceable and invalid. 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. AS PASSED SENATE

Comment: Dead. Concerning striker language regarding contracts and procurement

Tracking Lists: CAO, Finance Budget Procurement Audit

SB1427 - Carrying of firearms; exceptions

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 located prohibited by federal law; or pursuant to any 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.

Comment: Dead

Tracking Lists: CAO, PD, Community Services

SB1428 - Political subdivisions; gun shows; preemption

Summary: Political subdivisions would have been disallowed from prohibiting a gun show from occurring in the political subdivision or enacting or enforcing any ordinance, rule or policy that primarily affects gun shows and effectively prohibited a gun show from occurring in the political subdivision. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill needlessly restricts the authority of local governments to make decisions about how to keep their communities safe.

Comment: Vetoed

Tracking Lists: CAO, PD, Community Services

SB1435 - Attorney licensing; supreme court

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 to be a member of any organization to become or remain licensed. AS PASSED HOUSE

Comment: Vetoed

Tracking Lists: CAO

SB1455 - Office vacancy; discharge of duties

Summary: A public office would have been deemed vacant if the person holding the office ceased to discharge the duties of office for a period of 45 consecutive days, instead of 3 consecutive months. Would not have applied to a legislative office. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that she does not believe these changes are needed at this time.

Comment: Vetoed

Tracking Lists: CAO

SB1611 - Public entities; contracts; prohibition

Summary: A public entity is prohibited from requiring a company to implement an "environmental, social or governance standards policy" (defined) as a condition of entering into or renewing a contract with a company to acquire services, supplies, information technology, goods or construction services. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: CAO, Finance Budget Procurement Audit

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 space 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/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 and the information that must be included in the final sunset review report by each committee of reference. AS SIGNED BY GOVERNOR

Comment: Signed into law. Earlier: Issues with attorney-client privilege.

Tracking Lists: CAO, Clerk and Elections

SB1696 - Sexually explicit materials; government; prohibition

Summary: The state, a state agency, or a county, municipality, or political subdivision of Arizona would have been prohibited from exposing minors to "sexually explicit materials" (defined) and would have been required to prohibit its contractors from exposing minors to sexually explicit materials. A facility or property owned, leased or managed by these entities would have been prohibited from being used for filming or facilitating sexually explicit acts. Violations would have been classified as a class 5 (second-lowest) felony. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill is vague and serves as little more than a thinly veiled effort to ban books.

Comment: Vetoed

Tracking Lists: CAO, PD

SCR1023 - Charter cities; repeal

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

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

Tracking Lists: CAO

Clerk and Elections

HB2072 - Voter registration; same day

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 that 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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2073 - Automatic voter registration

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 driver license information and who is otherwise qualified to register to vote must be registered to vote automatically on completion of the license application unless 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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2078 - Counties; elections; state audits

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 or opposes 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.

Comment: Likely dead

Tracking Lists: Clerk and Elections

HB2096 - Early ballots; Friday deadline

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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2229 - Legislative intent; secrecy; mail voting

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 in voting to the greatest extent possible. Does not apply to persons covered by the Uniformed and Overseas Citizens Absentee Voting Act and Arizona citizens who are 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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2304 - Voting locations; precinct-based

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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2305 - Ballots; signature verification; observers

Summary: The county recorder and county officer in charge of elections would have been required to allow representatives of the two largest political parties entitled to continued representation on the ballot to observe each stage of the signature verification process for early, provisional and conditional provisional ballots. Observers would have been required to be allowed to observe from a distance of six feet so that they could reasonably and clearly view the contents of any screens or monitors used to display information related to signature verification, including observers who were in a separate area and who were viewing the signature verification process on a screen or other monitor. Observers would have been prohibited from noting, transcribing, or disclosing any voter's personal identifying information. The county recorder and county officer in charge of elections would have been required to maintain election board worker and employee documentation in the form of a log at each stage of the signature and affidavit verification process. Information that must be included on the log would have been specified. Violations would have been a class 5 (second lowest) felony. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill creates unnecessary burdens for election administrators and meaningful privacy concerns for Arizona voters.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2306 - Ballot custody; verification; observers

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 the ballot printer and continue until completion of the canvass. Representatives of the two largest political parties entitled to continued representation on the ballot are required to observe and verify each transfer of custody.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2307 - Elections; hand counting; machines; prohibition

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.

Comment: Likely dead

Tracking Lists: Clerk and Elections

HB2308 - Secretary of state; election; recusal

Summary: The Secretary of State would have been prohibited from personally performing any aspect of elections operations conducted by Elections Department staff in the Office of the Secretary of State for an election in which the Secretary of State was a candidate. The constitutional duty to certify the statewide canvass would have been exempt. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that the Secretary of State is elected by the people of Arizona to serve as the state's chief election officer.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2319 - Elections; rule of construction

Summary: The Legislature would have declared that the purpose of statutes regulating the conduct of elections was to provide the people of Arizona with a transparent system for conducting elections. If there were two competing interpretations of statutes regulating the conduct of elections, the provisions would have been required to be liberally construed in favor of the reading that provided greater transparency. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill does not solve any of the real challenges facing election administration.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2322 - Early ballots; signatures; guidelines; challenges

Summary: The Secretary of State's July 2020 signature verification guide would have constituted the minimum requirements for comparison of signatures. Signatures that could not be verified would have been required to be rejected unless cured as provided in statute. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that these standards are old and are more appropriately included as part of the Election Procedures Manual.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2378 - Officials; political action committee prohibition

Summary: The Secretary of State, a member of a county board of supervisors, a county recorder, and any other officer in charges 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 candidate committee for that individual's own candidacy. AS PASSED HOUSE

Comment: Dead

Tracking Lists: Clerk and Elections

HB2552 - Voting; elections; tally; prohibition

Summary: For every election held in Arizona, the person who received the highest number of legal votes would have been required to be declared elected. The state, counties, municipalities, or political subdivisions would have been prohibited from using a voting method in an election or nomination process for any state, city, town, county, or federal office that allowed 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 allowed ballots cast to be tabulated in any manner that involved the elimination of candidates through multiple rounds of tabulation or the transfer or redistribution of votes between or among candidates; or that required the ranking of every candidate for an office as a condition of a voter's vote being counted in the final tally. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that ranked choice voting is used successfully elsewhere in the country, and that this bill is unnecessary.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2560 - Images; voter lists; records; contest.

Summary: No later than ten days before each election, the county recorder or other officer in charge of elections would have been 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 would have been required to submit to the Secretary of State, who would have been required to 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 would have been a class 1 (highest) misdemeanor to alter the contents of an image or a cast vote record from the database. The county recorder or other officer in charge of elections would have been required to ensure that paper ballots are stored in a manner that allows for convenient retrieval. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill threatens anonymity and privacy, opens the door to the spread of misinformation, and places a burdensome, unfunded mandate on election officials.

Comment: Vetoed. Counterpart bill: SB 1324

Tracking Lists: Clerk and Elections

HB2591 - Elections; early ballot drop boxes

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 the voted or unvoted ballot of another person. Contains a legislative intent section. AS PASSED SENATE

Comment: Dead

Tracking Lists: Clerk and Elections

HB2691 - Elections; ballot chain of custody

Summary: Ballot boxes would have been required to be locked with a tamper evident seal. The county board of supervisors would have been required to provide a chain of custody record that began at the ballot printing location and continued through delivery to the county recorder or other officer in charge of elections. The county recorder or other officer in charge of elections would have been required to prepare a chain of custody record for the transportation and delivery of all voted ballots. Chain of custody records would have been required to include the time and signature for each point of contact, including the signature of the voting location supervisor when the ballots were received for use in voting and when election board members left 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 received the voted ballots. Chain of custody records would have been required to include the date, time, location and name of any election official who handled or processed a ballot. The county recorder or other officer in charge of elections would have been required to maintain a record of all voting irregularities that occurred during early voting, emergency voting and election day voting, and information that would have been required to be included in the record was specified. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill does not advance the goal of strengthening our elections.

Comment: Vetoed

Tracking Lists: Clerk and Elections

HB2701 - Secure ballot containers; pilot program

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 unlock for purposes 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 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.

Comment: Dead

Tracking Lists: Clerk and Elections

HB2722 - Elections; option; full hand count

Summary: The county recorder or any person who is designated by the county board of supervisors is allowed to count by hand all or 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 SENATE

Comment: Vetoes

Tracking Lists: Clerk and Elections

HB2808 - Public records; time frame

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

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

HCR2003 - Elections; bonds; technical correction

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 referred to the ballot at the next general election.

Comment: Dead

Tracking Lists: Clerk and Elections

HCR2040 - In-person precinct voting; absentee voters

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 in 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.

Comment: Dead

Tracking Lists: Clerk and Elections

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

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 the voters of each legislative district, instead of from the entire state, for an amendment to the state Constitution.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1006 - Municipal notices and ordinances; posting

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.

Comment: Signed into law

Tracking Lists: CAO, Clerk and Elections

SB1011 - Municipalities; partisan elections

Summary: Municipal elections would have been allowed to be held with the candidate's political party registration indicated on the ballot. Would have applied to municipal elections held on or after January 1, 2024. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that Arizona communities are not asking for local elections to be partisan affairs.

Comment: Vetoed

Tracking Lists: CAO, Clerk and Elections

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.

Comment: Dead

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

SB1048 - Campaign finance; reporting threshold; lobbyists

Summary: The list of receipts that must be itemized in campaign finance reports would have been 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that while she appreciates the provision aimed at adding transparency to donations from lobbyists, other provisions in this will would reduce transparency in campaign finance and would likely apply to far more donors.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1068 - Police dogs; emergency treatment (~~Election board workers; political party~~)

Summary: Each ambulance service is required to authorize its emergency medical care technicians to provide emergency treatment, if trained, to a "police dog" (defined) that is injured in the line of duty and to transport the police dog by ambulance or another emergency medical services vehicle to a veterinary clinic or hospital, if a person is not requiring emergency medical treatment or transport at that time. Ambulance services are authorized to develop written policies and procedures related to providing these services. AS PASSED HOUSE

Comment: Signed into law

Tracking Lists: Clerk and Elections

SB1105 - Early ballots; election day tabulation

Summary: County recorders or other officers in charge of elections would have been required, instead of allowed, to provide for a qualified voter who appears at their designated polling place or at a voting center on elected day with their voted early ballot to have their ballot tabulated. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that these requirements would be very difficult for election officials to implement.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1116 - Political signs; public roadways; prohibition

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

Comment: Dead

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

SB1135 - Spoiled early ballots; election day

Summary: An early voter would have been allowed to deposit their early ballot at any polling place in the county by 7PM on election day or exchange it for a regular ballot at their polling place or a voting center in the county by 7PM on election day. The state, counties, municipalities, and political subdivisions would have been prohibited from being a member of any multistate voter registration or voter registration list maintenance organization that requires that the state provide information derived from voter registration records that is otherwise required to be confidential, and would have been prohibited from entering into any agreement with any organization that imposes any duty on the state that is not expressly required by state law. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this would prevent Arizona from remaining a part of the Electronic Registration Information Center, which helps improve election integrity.

Tracking Lists: Clerk and Elections

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 their 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 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. Effective January 1, 2024.

Comment: Dead. Oppose

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

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

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. Does 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 the 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

Comment: Dead

Tracking Lists: Clerk and Elections

SB1141 - Early ballot drop off; identification

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 to 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 5 (second-lowest) felony. AS PASSED SENATE

Comment: Dead

Tracking Lists: Clerk and Elections

SB1142 - Voter registration events; posting

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 2021, chapter 405 (part of the FY2021-22 budget), but were deemed unconstitutional by the Arizona Supreme Court in Arizona School Boards Association et al v. State of Arizona.]

Comment: Dead

Tracking Lists: Clerk and Elections

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

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 monitors 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

Comment: Likely dead. Problematic language

Tracking Lists: Clerk and Elections

SB1178 - Early voting; identification; signature

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 tabulating, and additional signature verification of the completed affidavit envelope is not required.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1180 - Voter registrations; payment prohibited

Summary: A person would have been 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. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that she does not believe this is the right solution to the challenges facing our elections.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1201 - Early ballots; signatures; electronic pollbooks

Summary: Signatures on polling place or voting center electronic pollbooks would have been prohibited from being used for signature comparisons to verify the signature on an early ballot. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that limiting which signatures may be reviewed without a legitimate security or accuracy concern harms Arizona's voters.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1256 - Resign to run; nomination paper

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1264 - Officials; political action committee prohibition.

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 would have been prohibited from being a chairperson, treasurer or other member of a political action committee. Would not have applied to an individual's membership in a candidate committee for that individual's own candidacy. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that there are few, if any, examples of election-related issues created by elected election officers or their appointees being involved in political action committees.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1265 - Voting; elections; tally; prohibition.

Summary: For every election held in Arizona, the person who received the highest number of legal votes would have been required to be declared elected. The state, counties, municipalities, or political subdivisions would have been prohibited from using a voting method in an election or nomination process for any state, city, town, county, or federal office that allowed voters to select or rank, designate or otherwise indicate approval of or preference for more candidates than were eligible to be declared elected for any office; that allowed ballots cast to be tabulated in any manner that involved the elimination of candidates through multiple rounds of tabulation or the transfer or redistribution of votes between or among candidates; or that required the ranking of every candidate for an office as a condition of a voter's vote being counted in the final tally. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this bill contains the same provisions as HB2552, which she previously vetoed.

Comment: Vetoed

Tracking Lists: Clerk and Elections

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 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 SIGNED BY GOVERNOR

Comment: Signed into law

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

SB1273 - Early ballot delivery; instruction requirements

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Clerk and Elections

SB1287 - Election returns; canvass; review

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1303 - Campaign finance; contributions; reporting

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1324 - Images; voter lists; records; penalties (~~Images; voter lists; records; contest~~)

Summary: No later than ten days before each election, the county recorder is required to prepare a list of all voters who are registered to vote in the election, including persons who are on the inactive voter list, and transmit the information to the Secretary of State, who is required to immediately post the information on a secure website in a downloadable format. 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, unaltered images of all ballots used in the tabulation of the election, and the "cast vote record" (defined) in a sortable format. It is a class 5 (second lowest) felony to use any portion of a voter list or ballot image for a commercial purpose or to intentionally alter any information on ballot images. AS PASSED SENATE

Comment: Dead. Identical language to HB 2560

Tracking Lists: Clerk and Elections

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 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 within 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 to a listing of all current notices and ordinances on the website's home page.

Comment: Dead

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

SB1451 - Early voting; preceding weekend

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 office in charge of elections is allowed to operate the on-site early voting locations during the Saturday, Sunday and Monday immediately preceding election day.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1452 - Primary election date; May

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1467 - On-site tabulation; emergency; multiple days

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 voting, 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 no longer allowed to authorize the use of emergency voting centers.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1471 - Ballot tabulation; hand count comparison

Summary: By September 1, 2023, the officer in charge of elections in a county with a population of more than 2 million persons (Maricopa County) is required, and a county with a population of more than 400,000 persons (Pima County and Pinal County) is allowed, to randomly select 400 ballots from the ballot test decks randomized by precincts used for logic and accuracy testing for the 2022 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 1, 2024. The Legislature intends that the retabulation and hand count may be conducted as early as July 1, 2023. AS PASSED HOUSE

Comment: Vetoes

Tracking Lists: Clerk and Elections

SB1518 - Ballots; election day; identification

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, and the election official confirms that the name and address on the identification reasonably appear to match the early ballot affidavit, the voter's early ballot is deemed ready for tabulating, and additional signature verification of the completed affidavit envelope is not required. The elections official is required to stamp the envelope with a stamp that reads "ID verified" and place the early ballot in the secured ballot box labeled for verified early ballots. AS PASSED HOUSE

Comment: Likely dead

Tracking Lists: Clerk and Elections

SB1565 - Ballot processing; electronic adjudication; limitation

Summary: Machines, devices, firmware, or software used in Arizona elections would have been prohibited from including any artificial intelligence or learning hardware, firmware, or software. Artificial intelligence or learning software or firmware would have been prohibited from being used in the processing of early ballots or by the election board in verifying the voter's affidavit. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill attempts to solve challenges that do not currently face our state.

Comment: Vetoes

Tracking Lists: Clerk and Elections

SB1566 - Voter registration; reregistration; ten years

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 ends in 1. Before doing so, the county record 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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1589 - Voter registration databases; designation

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 each county recorder to determine possible registrations in multiple jurisdictions and possible changes of address.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1592 - Hand count audit; technical correction

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

Comment: Dead

Tracking Lists: Clerk and Elections

SB1593 - Recall; requirements; petitions

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SB1595 - Early ballots; identification; tabulation

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 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. If a voter presents their mailed early ballot at any voting location and presents and confirms identification that complies with statutory requirements, the election official that confirms the identification is required to stamp the signed envelope with a stamp that reads "ID verified" and placed that early ballot in a secured ballot box labeled for verified early ballots. An early ballot received after a voter's identification is confirmed is exempt from signature verification requirements. Chain of custody requirements for these ballots are established. AS PASSED HOUSE

Comment: Vetoed

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

Comment: Vetoed

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) would have been required, instead of 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that on-site tabulation of early ballots presents significant logistical and cost challenges for election administrators that are left unresolved by this bill.

Comment: Vetoed

Tracking Lists: Clerk and Elections

SB1598 - Federal candidates; observers; elections (~~Elections; observers; federal candidates~~)

Summary: During the general election, one representative for each candidate for U.S. President, U.S. Senate, and U.S. House of Representatives who have been designated by the candidate are allowed to observe at the counting center. If more than one candidate from each political party represented on the ballot designates an observer, a draw by lot must determine which candidate from each political party may send an observer. Observers, political party representatives, and political party challengers are prohibited from approaching an election official's table or equipment any closer than is reasonably necessary to properly perform his/her functions, and are required to pose any questions regarding procedures directly to the supervisor of the election board or counting center, or the voting location inspector for resolution. A political party representative and a political party challenger cannot be a candidate who appears on the ballot. AS PASSED HOUSE

Comment: Vetoed

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.

Comment: Dead

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 space 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/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 and the information that must be included in the final sunset review report by each committee of reference. AS SIGNED BY GOVERNOR

Comment: Signed into law. Earlier: 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 and 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.

Comment: Likely dead

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.

Comment: Dead

Tracking Lists: Clerk and Elections

SCR1015 - Initiative; referendum; signatures; legislative districts

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 the voters of each legislative district, instead of from the entire state, for an amendment to the state Constitution.

Comment: Transmitted to Secretary of State to be on the ballot

Tracking Lists: Clerk and Elections

SCR1027 - Cities; towns; elections

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 district, 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.

Comment: Dead

Tracking Lists: Clerk and Elections

Community Services

HB2019 - Licensing; permitting; criteria; clarity

Summary: If a county or municipality requires a license or permit for any free speech or assembly activity or any activity that changes the use, appearance, or density of a structure or land, the county or municipality is required to specify in clear and unambiguous language the criteria for granting the license or permit, unless criteria are established by existing state or federal law. Counties and municipalities are required to approve or deny an application for such a license or permit within 60 days after a submittal is deemed administratively complete. Some exceptions. AS SIGNED BY GOVERNOR

Comment: Signed into law. Improved with amending language. Earlier: Oppose

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

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.

Comment: Dead

Tracking Lists: Community Services, Diversity, Equity & Inclusion

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 SIGNED BY GOVERNOR

Tracking Lists: Community Services

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 nautical mile, not including the human voice alone. A person operating a "power-driven watercraft" (defined) is required to use an engine cutoff switch link while 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.

Comment: Likely dead

Tracking Lists: PD, Community Services

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

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 shells" (defined) that are being used for practice, training, or rowing competitions if a list of specified conditions are met, including supervision by a certified coach.

Tracking Lists: Community Services

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 person knows or has reason to know that the performance could be viewed by a minor. A second or subsequent violation is a class 6 (lowest) felony. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: PD, Community Services

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 in the Arizona State Parks Heritage Fund. AS PASSED SENATE

Comment: City support

Tracking Lists: Community Services

SB1251 - Working animals; restrictions; prohibition

Summary: Counties and municipalities would have been prohibited from enacting ordinances or policies that prohibited or unduly restricted 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that is bill is a solution in search of a problem.

Comment: Vetoed

Tracking Lists: CAO, Community Services

SB1427 - Carrying of firearms; exceptions

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 located prohibited by federal law; or pursuant to any 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.

Comment: Dead

Tracking Lists: CAO, PD, Community Services

SB1428 - Political subdivisions; gun shows; preemption

Summary: Political subdivisions would have been disallowed from prohibiting a gun show from occurring in the political subdivision or enacting or enforcing any ordinance, rule or policy that primarily affects gun shows and effectively prohibited a gun show from occurring in the political subdivision. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill needlessly restricts the authority of local governments to make decisions about how to keep their communities safe.

Comment: Vetoed

Tracking Lists: CAO, PD, Community Services

Communications & Marketing

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 would have been required to develop standards, guidelines, and practices for state agencies, contractors of the state, and public institutions of higher education that required 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 "country of concern" (defined). The standards would have been required to address the use of personal electronic devices by state employees and contractors to conduct state 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 would have been prohibited from conducting state business on any personal electronic device that had a covered application, and from using any communications equipment and services that were included on the Federal Communications Commission's covered communications or services list and that were deemed to pose an unacceptable risk to the national security of the United States. More. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that since state agencies are already taking actions to comply with Executive Order 2023-10 to protect the state's cybersecurity interests, she believes this bill is duplicative.

Comment: Vetoed

Tracking Lists: IT, Communications & Marketing

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.

Comment: Dead

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

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 that is 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: Dead. 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

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 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 SIGNED BY GOVERNOR

Comment: Signed into law

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

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 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 within 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 to a listing of all current notices and ordinances on the website's home page.

Comment: Dead

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

Community Development

HB2019 - Licensing; permitting; criteria; clarity

Summary: If a county or municipality requires a license or permit for any free speech or assembly activity or any activity that changes the use, appearance, or density of a structure or land, the county or municipality is required to specify in clear and unambiguous language the criteria for granting the license or permit, unless criteria are established by existing state or federal law. Counties and municipalities are required to approve or deny an application for such a license or permit within 60 days after a submittal is deemed administratively complete. Some exceptions. AS SIGNED BY GOVERNOR

Comment: Signed into law. Improved with amending language. Earlier: Oppose

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

HB2044 - Municipal general plan; adoption

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 two 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

Comment: Likely dead

Tracking Lists: Community Development

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.

Comment: Dead

Tracking Lists: Neighborhoods, Community Development

HB2048 - Assured water; small residential developments

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. 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.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water, Community Development

HB2165 - Adequate water supply; statewide requirements

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 service 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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water, Community Development

HB2166 - DHS; licensure; group homes

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 rules that ADHS is required to adopt for behavioral-supported group homes, 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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Community Development, Community Health and Human Services

HB2258 - Historic preservation tax credit

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 ten 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.

Tracking Lists: Community Development

HB2259 - Parking requirements; affordable housing; prohibition

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 as "affordable housing" (defined).

Tracking Lists: Community Development, Community Health and Human Services

HB2260 - Wells; permits; spacing rules.

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.

Comment: AMWUA support

Tracking Lists: Community Development

HB2272 - Municipality; housing plan; report

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

HB2298 - Planned community authority; public roadways

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 the planned community, by June 30, 2025, holds a vote of the membership on the question of whether to continue to regulate public roadways and a majority of a quorum of the membership of the community votes to continue regulating public roadways. If the vote fails or the planned community does not hold a vote by June 30, 2025, the planned community no longer has authority to regulate the public roadways in the planned community and any existing regulations expire. Does not apply to one-way streets or to any privately owned roadways. AS SIGNED BY GOVERNOR

Tracking Lists: Community Development

HB2373 - Permits; automated permitting platform

Summary: Counties and municipalities are authorized to use a "qualified online automated permitting platform" (defined) to verify code compliance for the purpose of issuing permits for the use of certain solar energy devices. AS SIGNED BY GOVERNOR

Tracking Lists: Community Development

HB2390 - Local planning; residential housing; repeal

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 any particular class or group of residents.

Tracking Lists: Community Development

HB2441 - Standpipe service; continuation; emergency (State tree; residential planning)

Summary: On the effective date of this legislation, a municipality that provided water service in a county with a population of more than 1.5 million persons (Maricopa County) would have been required to execute a treat and transport agreement with one or more third parties and, for a period of up to three years, would have been required to treat and transport water to a standpipe and allow use of the standpipe for water to be hauled to residences that were outside the municipality's water service area if a list of specified conditions applied, including that the number of residences to be served was capped at 750, the municipality previously provided standpipe service to water haulers that deliver water to the residences, and there was no other source of water for those persons within ten miles of their residences. The municipality would have been required to be reimbursed for the full reasonable costs of treating and transporting the water and allowing the water to be hauled from the standpipe. These provisions would have self-repealed January 1, 2026. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill fails to provide an immediate solution and called on the Legislature to send

HB2561 to her desk, a bipartisan solution that addresses the long-term issue of wildcat development and that includes an emergency clause for immediate effect.

Comment: Vetoed

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

HB2483 - Backyard fowl; regulation; prohibition

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

Tracking Lists: Community Development

HB2536 - Housing; zoning; regulation; preemption (~~Administrative review; approvals; developments.~~)

Summary: The legislative body of a municipality is allowed by ordinance to: authorize administrative personnel to review and approve site plans, development plans, 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 1103

Tracking Lists: Community Development

HB2547 - Zoning ordinances; property rights; costs

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

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

Tracking Lists: Community Development

HB2616 - Subdivisions; leased properties

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

Comment: AMWUA potential support

Tracking Lists: Community Development

HB2659 - Building permits; conditions; qualifications

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 on issuance of a stop work order issued by the county or municipality. Violations are a class 6 (lowest) felony.

Comment: Dead

Tracking Lists: Community Development, PD

HB2676 - Property conveyance; foreign entities; prohibition

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 sales of state lands are prohibited from being made to a foreign entity.

Tracking Lists: Community Development

HB2721 - Affordable housing; parking; reduction

Summary: Counties and municipalities are required to adopt a regulation or general or specific plan provision that reduces the minimum parking requirements for any "housing development" (defined) that meets a list of requirements, including that the development is located within 500 feet of a major public transit stop,

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 units to "lower income households" (defined).

Tracking Lists: Community Development, Community Health and Human Services

HB2772 - Middle housing; residential zoning

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.

Tracking Lists: Community Development, Community Health and Human Services

HB2773 - Accessory dwelling unit; requirements

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.

Tracking Lists: Community Development, Community Health and Human Services

HB2809 - Public infrastructure improvements; reimbursement

Summary: Increases the 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 to \$200 million, from \$100 million. AS PASSED SENATE

Comment: Signed into law. Local government supported

Tracking Lists: CAO, Community Development, Economic Development

HCR2011 - Vacation rentals; short-term rentals

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 rights to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

Comment: Dead

Tracking Lists: Neighborhoods, Community Development

SB1012 - Inspections; sober living homes

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.

Tracking Lists: Community Development

SB1025 - Political signs; tourism zones

Summary: The area of each commercial tourism political sign free zone designated by a municipality would have been limited to 10 percent of the total area of the municipality, and each zone would have been required to have a "reock score" (calculation specified) of 0.10 or more. Municipalities would have been allowed to establish one or more areas within its zones in which political signs were allowed but would have been required to include those areas in calculating the area of the zone to determine compliance with these requirements. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that it is unclear what problem this bill aims to solve and that Arizonans are not asking for more campaign signs in their communities.

Comment: Vetoed

Tracking Lists: CAO, Community Development

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 SIGNED BY GOVERNOR

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

Tracking Lists: Community Development, Engineering and Transportation, FMR

SB1116 - Political signs; public roadways; prohibition

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

Comment: Dead

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

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

SB1131 - Residential leases; municipal tax exemption (~~Technical correction; prepaid legal insurance~~)

Summary: Beginning January 1, 2025, municipalities and other taxing jurisdictions are prohibited from levying a transaction privilege, sales, use or other similar tax or fee (TPT) 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, 2025, 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 such a tax is required to no longer charge the tenant the amount of the repealed TPT on residential rentals. In any civil action challenging the lawfulness of a charge, the landlord has the burden of proving by a preponderance of the evidence that the challenged charge is not attributable to TPT on residential rentals. Repeals statute governing municipal TPT rates on residential rentals on January 1, 2025. Contains a legislative intent section. Effective January 1, 2025. AS PASSED HOUSE

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

Tracking Lists: Community Development

SB1162 - Home-based businesses; restrictions; prohibition

Summary: A home-based business would have been required to be allowed as a use by right if the home-based business did 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 would have been disallowed from prohibiting a "no-impact home-based business" (defined) or from requiring a person to apply for, register, or obtain a permit, license, variance or other type of prior municipal approval to operate a no-impact home-based business. Counties and municipalities would have been authorized to establish reasonable regulations on a home-based business if the regulations were 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this approach to supporting small businesses is too broad and would create challenges for public safety and code enforcement in neighborhoods.

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

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

SB1188 - Regulation; permissible consumer fireworks (~~Technical correction; nonprobate transfers~~)

Summary: Changes one of the ranges of dates that the use of permissible consumer fireworks is allowed in Arizona to December 26 through January 4, instead of December 24 through January 3. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: Community Development, PD

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 for 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 per resident charge for sober living homes by 50 percent.

Comment: Dead Earlier: 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.

Comment: Dead

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

SB1268 - Annexation; notice; approval

Summary: The requirements for municipal annexation would have been modified to require a petition signed by the owners of 60 percent or more, instead of 50 percent or more, in value of the real and personal property and more than 60 percent, instead of 50 percent, of the persons owning real and personal property that would be subject to taxation by the municipality in the event of annexation. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this bill undermines the consistent, orderly, and successful development of Arizona's communities.

Comment: Vetoed

Tracking Lists: CAO, Community Development

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 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

Comment: Dead

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

SB1321 - Backyard fowl; regulation; prohibition (~~Appropriation; Little Colorado River levee~~)

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

Comment: Likely dead. Passed both chambers but not signed by GKH. Striker includes language to require allowances for backyard fowl, within specific parameters. Language is similar, but does not perfectly align with current Tempe regulations.

Tracking Lists: Neighborhoods, CAO, Community Development

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 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.

Comment: Dead

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

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 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 within 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 to a listing of all current notices and ordinances on the website's home page.

Comment: Dead

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

SB1432 - Assured water; small residential developments..

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.

Comment: Signed into law

Tracking Lists: Municipal Utilities - Water, Community Development

Community Health and Human Services

HB2040 - Industrial development bonds; preapproval; threshold (~~Industrial development bonds; preapproval; repeal~~)

Summary: Counties and municipalities with a population of more than three percent of the total state population, decreased from seven percent, may approve a corporation issuing bonds to finance a multifamily residential rental project, clinic, rest home, nursing home, skilled nursing facility, or life care facility. AS PASSED HOUSE

Comment: Dead

Tracking Lists: Economic Development, Community Health and Human Services

HB2083 - Landlord; tenant; fee disclosure; waiver

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 collect or sell the tenant's person data as a result of using facilities or services on the rental premises. Landlords must allow a tenant to choose not to receive and 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 paid in full within five days after the due date.

Tracking Lists: Community Health and Human Services

HB2084 - Landlord tenant; housing assistance; waiver

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 the partial payment.

Tracking Lists: Community Health and Human Services

HB2085 - Rental housing; income source discrimination

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 a 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 before 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

HB2086 - Rent regulation; state preemption

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

Tracking Lists: Community Health and Human Services

HB2161 - Rent increase; limitation; substantial remodel

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

HB2166 - DHS; licensure; group homes

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 rules that ADHS is required to adopt for behavioral-supported group homes, 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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Community Development, Community Health and Human Services

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: FMR, Community Health and Human Services

HB2211 - Supplemental nutrition assistance program; eligibility

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.

Tracking Lists: Community Health and Human Services

HB2222 - Driver license fees; homeless exemption

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 FY2023-24 to the newly established Personal Identification Document Fund and is appropriated from the Fund to ADOT.

Tracking Lists: Community Health and Human Services

HB2242 - Unclaimed property; notice; distribution (~~Unclaimed property; locator registration~~)

Summary: Of monies received from the sale of unclaimed or abandoned property, the Arizona Department of Revenue (ADOR) is no longer required to deposit the first \$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

Tracking Lists: Community Health and Human Services

HB2256 - Housing trust fund; appropriation

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

Tracking Lists: Community Health and Human Services

HB2259 - Parking requirements; affordable housing; prohibition

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 as "affordable housing" (defined).

Tracking Lists: Community Development, Community Health and Human Services

HB2264 - Housing; inventory; sales

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 to 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 agency 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.

Tracking Lists: Community Health and Human Services

HB2270 - Extension; affordable housing tax credit

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 any calendar year is increased to \$10 million, from \$4 million, beginning in calendar year 2024.

Tracking Lists: Community Health and Human Services

HB2272 - Municipality; housing plan; report

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

HB2273 - 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 the proceeds, instead of \$2.5 million.

Tracking Lists: Community Health and Human Services

HB2280 - Eviction prevention; study committee

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-repeals November 1, 2024.

Tracking Lists: Community Health and Human Services

HB2281 - Homeless youth; families; funding sources

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 any 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 from 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

HB2284 - Homelessness; housing; facilities

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

Tracking Lists: Community Health and Human Services

HB2312 - Women's shelters; male employees; liability

Summary: A "facility" (defined) that did 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 would not have been liable for gender discrimination if the facility's sole purpose was to provide a safe and stable shelter to women or women with minor children. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that Arizonans who choose to work in domestic violence shelters and services deserve the freedom to live their lives without laws targeting them for their gender identity.

Tracking Lists: Community Health and Human Services

HB2318 - Affordable housing; tax credits; extension

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

HB2327 - 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 the proceeds, instead of \$2.5 million.

Tracking Lists: Community Health and Human Services

HB2328 - Arizona community land trust fund

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.

Tracking Lists: Community Health and Human Services

HB2329 - First-generation home buyers assistance; appropriation

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.

Tracking Lists: Community Health and Human Services

HB2358 - State emergency; eviction reporting; prohibition

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 by the lessee or occupant 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 record" to an inquiry related to that sealed record.

Tracking Lists: Community Health and Human Services

HB2359 - Landlord; tenant; rent increase; limitation

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 rate of inflation as determined by the gross domestic product price deflator index published by the U.S. Department of Commerce.

Tracking Lists: Community Health and Human Services

HB2363 - Landlord tenant; evictions for cause

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 is to reside in the rental property or the landlord removes the rental property from the rental market. For any termination for removal from the rental market or 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.

Tracking Lists: Community Health and Human Services

HB2366 - Landlord tenant; evictions; assistance

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.

Tracking Lists: Community Health and Human Services

HB2368 - Elder abuse; pamphlet; long-term care

Summary: Residential care institutions, nursing care institutions, assisted living facilities, and assisted living homes are required to provide to each prospective patient or 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.

Tracking Lists: Community Health and Human Services

HB2379 - Hotel; motel; vouchers; homeless; prohibition

Summary: The Arizona Department of Housing, counties, and municipalities would have been 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this legislation is unnecessary since no requirement to accept a voucher to house someone exists in Arizona, and no proposal to do so is under consideration.

Comment: No position, no effect.

Tracking Lists: Community Health and Human Services

HB2381 - Mobile homes; recreational vehicles; fund

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, 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. Retroactive to April 16, 2022. Emergency clause. AS SIGNED BY GOVERNOR

Tracking Lists: Community Health and Human Services

HB2400 - Area agencies on aging; appropriation

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 and community-based services.

Tracking Lists: Community Health and Human Services

HB2482 - Sexual assault kits; victim notification (~~Appropriations; crime victim notification fund~~)

Summary: Expands the types of software that may be purchased by law enforcement agencies using monies from the Law Enforcement Crime Victim Notification Fund. Monies in the Fund are continuously appropriated. Establishes a 10-member Sexual Assault Kit Study Committee to examine 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. In FY2023-24 through FY2025-26, the Arizona Criminal Justice Commission is required to include a partnership between at least two vendors for the purpose of expanding the automated crime victim notification system. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: PD, Community Health and Human Services

HB2500 - Sexual assault victims; financial assistance

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.

Tracking Lists: Community Health and Human Services

HB2603 - Reimbursement; direct care workers

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.

Tracking Lists: Community Health and Human Services

HB2634 - Housing trust fund; donations; form

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.

Tracking Lists: Community Health and Human Services

HB2652 - SNAP; eligible benefits

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 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 may 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.

Tracking Lists: Community Health and Human Services

HB2657 - Appropriation; housing assistance; elderly.

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.

Tracking Lists: Community Health and Human Services

HB2673 - Tenant early termination; servicemembers

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 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.

Tracking Lists: Community Health and Human Services

HB2718 - Rights; homelessness; housing; eviction; 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. 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 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 \$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 prevent program. Emergency clause.

Tracking Lists: Community Health and Human Services

HB2719 - Appropriation; affordable housing

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.

Tracking Lists: Community Health and Human Services

HB2721 - Affordable housing; parking; reduction

Summary: Counties and municipalities are required to adopt a regulation or general or specific plan provision that reduces the minimum parking requirements for any "housing development" (defined) that meets a list of requirements, including that the development is located within 500 feet of a major public transit stop, 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 units to "lower income households" (defined).

Tracking Lists: Community Development, Community Health and Human Services

HB2772 - Middle housing; residential zoning

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.

Tracking Lists: Community Development, Community Health and Human Services

HB2773 - Accessory dwelling unit; requirements

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.

Tracking Lists: Community Development, Community Health and Human Services

HB2804 - Appropriation; grants; family support services

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

HB2805 - Appropriation; victim compensation and assistance

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

HCM2002 - Federal lands; housing shortage

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 U.S. 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. AS SENT TO SECRETARY OF STATE

Tracking Lists: Community Health and Human Services

SB1062 - Minors; capacity to consent; shelter

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

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

SB1136 - Housing grants; military; veteran; homeless (~~Trade or commerce; technical correction~~)

Summary: Establishes the Housing Grant Program for the construction of military transitional housing, veteran housing, affordable housing, or homeless housing in Arizona. The Arizona Department of Housing (ADOH) is required to administer the Program, and is authorized to establish priorities for funding grant projects. Grant projects are required to optimize energy performance and comply with the state energy conservation code. The Program self-repeals January 1, 2029. Also, monies in the Military Transitional Housing Fund may be spent for constructing a transitional comprehensive care facility that provides supportive housing services and on-site outpatient medical care and behavioral health services for military members who are transitioning into civilian life. AS PASSED HOUSE

Comment: Dead in this form.

Tracking Lists: Community Health and Human Services

SB1237 - Housing trust fund; transitional housing

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 or renovating facilities.

Tracking Lists: Community Health and Human Services

SB1244 - Tax credit extension; affordable housing (~~Appropriations; crime victim notification fund~~)

Summary: The property valuation of a project that qualifies for the Affordable Housing Tax Credit that uses the owner-elected statutory income-based valuation method is not a reduction in state or local property taxes for the purposes of the Credit. AS PASSED HOUSE

Comment: Likely dead - passed both chambers but not signed by GKH

Tracking Lists: PD, Community Health and Human Services

SB1248 - Scope of practice; process; repeal

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

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 the projects and programs for which funding was provided exclusively for housing in rural areas.

Tracking Lists: Community Health and Human Services

SB1289 - Employee housing; long-term leases; construction

Summary: Voter approval is not required for a school district governing board to construct school employee housing facilities.

Tracking Lists: Community Health and Human Services

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 intends 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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Economic Development, Community Health and Human Services

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 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.

Comment: Dead

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

SB1413 - Homeless encampment; removal

Summary: On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality would have been required to notify the owner to remove the owner's tent, structure, or other personal property from the area in which the encampment is located. If removal did not occur within 24 hours, the county or municipality would have been required to claim the property and retain the property for 14 days, during which the owner would have been allowed to claim the property. Unclaimed property would have been allowed to be disposed of as provided in statute. Persons living at an encampment located on private property would have been deemed guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use would have been deemed guilty of the appropriate drug-related offense. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this legislation does not address the root causes of homelessness, offers no pathways to assistance, and effectively criminalizes experiencing homelessness.

Comment: Vetoeed

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

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 examiners and county and municipal veteran service offices specialized training and certification in preventing veteran suicides. Requirements for the Program are listed. By July 30 of each year, ADVS is required to report specified information on the Program to the Legislature. The Program self-repeals January 1, 2028. Appropriates \$600,000 and one FTE position from the general fund in FY2023-24 to ADVS for the Program. AS PASSED SENATE

Tracking Lists: Community Health and Human Services

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

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

SB1506 - Rental housing; income source discrimination.

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 a 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 before 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

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 the proceeds, instead of \$2.5 million.

Comment: Support

Tracking Lists: Community Health and Human Services

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-repeals November 1, 2024.

Comment: Support

Tracking Lists: Community Health and Human Services

SB1585 - Homelessness; rights; eviction; housing; appropriation

Summary: 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 \$145 million from the general fund in FY2023-24 to the newly established Homeless Shelter and Services Fund, to be used to award grants to counties, municipalities, tribes, and nonprofit organizations for programs that provide shelter and services to unsheltered persons experiencing homelessness. Appropriates \$10 million from the general fund in FY2023-24 to the Department of Economic Security to distribute for rental assistance and eviction prevention for persons who are at least 65 years of age. AS PASSED SENATE

Comment: Dead. League/city support

Tracking Lists: Community Health and Human Services

SB1608 - Transition program fund; living expenses

Summary: Monies from the Transition Program Fund may be used to pay up to \$500 for a person who completed the transition program to secure housing, including the cost to live in a sober living home, the first and last month's rent, or any other payment or deposit required to secure housing. AS PASSED SENATE

Tracking Lists: Community Health and Human Services

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

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, 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.

Tracking Lists: Community Health and Human Services

Courts

HB2195 - Criminal justice data collection; system

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 policies 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.

Comment: Dead

Tracking Lists: Courts

SB1008 - Court fees; costs; deferral; waiver

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.

Comment: Dead

Tracking Lists: Courts, Finance Budget Procurement Audit

SB1036 - Setting aside conviction; certificate eligibility

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). AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Courts

SB1588 - Criminal justice data collection; system.

Summary: The Arizona Criminal Justice Commission is required to implement the state, county and municipal online data system. The Commission is required to publish the data system on the Commission's website in an electronic format that is accessible to the public. Unless prohibited by any other law, criminal justice agencies in Arizona approved by the Commission as ready to report are required to submit specified data into the system. The Commission is required to establish policies 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. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: Courts, PD

Diversity, Equity & Inclusion

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.

Comment: Dead

Tracking Lists: Community Services, Diversity, Equity & Inclusion

HB2360 - Arizona community impact statement

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.

Comment: Dead

Tracking Lists: Diversity, Equity & Inclusion

HB2392 - Statewide ADA coordinator; appropriation

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 FY2023-24 to the Office for the coordinator.

Comment: Dead

Tracking Lists: Diversity, Equity & Inclusion

HCR2021 - Ratification; equal rights amendment.

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.

Comment: Dead

Tracking Lists: Diversity, Equity & Inclusion

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

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. AS PASSED SENATE

Comment: Dead

Tracking Lists: Diversity, Equity & Inclusion

SB1694 - Public monies; ideology training; prohibition

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 is authorized to bring an action against the public entity. AS PASSED SENATE

Comment: Dead

Tracking Lists: HR, Diversity, Equity & Inclusion

Economic Development

HB2040 - Industrial development bonds; preapproval; threshold (~~Industrial development bonds; preapproval; repeal~~)

Summary: Counties and municipalities with a population of more than three percent of the total state population, decreased from seven percent, may approve a corporation issuing bonds to finance a multifamily residential rental project, clinic, rest home, nursing home, skilled nursing facility, or life care facility. AS PASSED HOUSE

Comment: Dead

Tracking Lists: Economic Development, Community Health and Human Services

HB2441 - Standpipe service; continuation; emergency (~~State tree; residential planning~~)

Summary: On the effective date of this legislation, a municipality that provided water service in a county with a population of more than 1.5 million persons (Maricopa County) would have been required to execute a treat and transport agreement with one or more third parties and, for a period of up to three years, would have been required to treat and transport water to a standpipe and allow use of the standpipe for water to be hauled to residences that were outside the municipality's water service area if a list of specified conditions applied, including that the number of residences to be served was capped at 750, the municipality previously provided standpipe service to water haulers that deliver water to the residences, and there was no other source of water for those persons within ten miles of their residences. The municipality would have been required to be reimbursed for the full reasonable costs of treating and transporting the water and allowing the water to be hauled from the standpipe. These provisions would have self-repealed January 1, 2026. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill fails to provide an immediate solution and called on the Legislature to send HB2561 to her desk, a bipartisan solution that addresses the long-term issue of wildcat development and that includes an emergency clause for immediate effect.

Comment: Vetoes

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

HB2630 - Tobacco; alternative nicotine; vapor products

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: Dead. Earlier: Likely dead - failed in committee

Tracking Lists: CAO, PD, Economic Development

HB2809 - Public infrastructure improvements; reimbursement

Summary: Increases the 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 to \$200 million, from \$100 million. AS PASSED SENATE

Comment: Signed into law. Local government supported

Tracking Lists: CAO, Community Development, Economic Development

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 ten 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.

Comment: Dead. 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

SB1215 - Call center relocation; notice; penalty.

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.

Comment: Dead

Tracking Lists: Economic Development

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.

Comment: Dead

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

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 intends 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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Economic Development, Community Health and Human Services

SB1434 - Businesses; masks; biohazard waste disposal

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 the business a biohazard waste disposal receptacle for patrons to dispose of their masks.

Comment: Dead

Tracking Lists: Economic Development

SB1561 - Appropriation; infrastructure grant program

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 investments 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.

Comment: Dead

Tracking Lists: Economic Development

SB1563 - Workforce; study committee; report

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 July 1, 2024. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Economic Development

SB1586 - International trade; authority; transportation

Summary: Establishes the International Transportation and Trade Corridor Authority as a corporate and political body with all the rights, powers, and immunities of 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. The Authority is required to establish disadvantaged business enterprise participation goals for the design, engineering, and construction of a transportation and 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.

Comment: Dead

Tracking Lists: Economic Development

SB1712 - Revitalization districts; counties

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.

Comment: Dead

Tracking Lists: Economic Development

Education, Career and Family Services

HB2601 - Teen mental health; grant program

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, staff 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.

Tracking Lists: Education, Career and Family Services

HB2804 - Appropriation; grants; family support services

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

SB1209 - Education and career exploration program

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.

Tracking Lists: Education, Career and Family Services

Engineering and Transportation

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, 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit, Engineering and Transportation

HB2019 - Licensing; permitting; criteria; clarity

Summary: If a county or municipality requires a license or permit for any free speech or assembly activity or any activity that changes the use, appearance, or density of a structure or land, the county or municipality is required to specify in clear and unambiguous language the criteria for granting the license or permit, unless criteria are established by existing state or federal law. Counties and municipalities are required to approve or deny an application for such a license or permit within 60 days after a submittal is deemed administratively complete. Some exceptions. AS SIGNED BY GOVERNOR

Comment: Signed into law. Improved with amending language. Earlier: Oppose

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

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

HB2097 - Appropriation; State Route 89; roundabout

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

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

HB2098 - Appropriation; Clarkdale bridge

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

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

HB2107 - Appropriation; SR 303; Route 60

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.

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

HB2216 - Hazardous air pollutants program

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. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

HB2241 - Electric vehicles; charging; pilot program

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.

Comment: Dead

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

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

Summary: Makes a supplemental appropriation of \$5 million from the general fund in FY2022-23 to the Arizona Department of Transportation (ADOT) to design a 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

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

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

Summary: The operator of a vehicle or combination of vehicles with a total length of a least 40 feet or a total width of at least 10 feet may deviate from the lane in 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 at the same time or so closely in time as to present an immediate hazard. The Arizona Department of Transportation (ADOT) or local jurisdiction is required to post at least one of either a yield sign before a roundabout entrance or a standard sign designed by ADOT that conveys that large trucks have the right-of-way or that vehicles should yield to large trucks in a roundabout. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Engineering and Transportation

HB2356 - Railroads; annual safety inspections.

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.

Comment: Dead

Tracking Lists: Engineering and Transportation

HB2437 - Transmission lines; applications; exceptions

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 would not have applied if the transmission line and its associated right-of-way was to be located on land entirely owned in fee simple by one or more owners of the transmission line. AS VETOED BY GOVERNOR. In her veto message, the Governor expressed concern about the uncertain impact this bill would have on electric generation or Arizona's overall power grid.

Comment: Vetoed

Tracking Lists: Engineering and Transportation

HB2496 - Transmission lines; definition

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Engineering and Transportation

HB2543 - Appropriations; greater Arizona transportation projects

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 road projects designated as regional priorities by the Greater Arizona Councils of Government and Metropolitan Planning Organizations. AS PASSED HOUSE

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

HB2586 - ADOT dynamic message signs

Summary: The Arizona Department of Transportation (ADOT) would have been prohibited from displaying messages other than those that are directly related to transportation or highway public safety on ADOT's dynamic message signs, except that ADOT would have been allowed to display amber alerts, silver alerts, blue alerts, and reminders to vote. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that current federal law, by which ADOT abides, prescribes standards for traffic control devices.

Comment: Vetoed

Tracking Lists: Engineering and Transportation

HB2752 - Appropriation: State Route 85

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.

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

SB1035 - Sidewalks; scooters; bicycles; fifteen mph

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.

Comment: Dead

Tracking Lists: PD, Engineering and Transportation

SB1051 - Census adjustment; population threshold

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Engineering and Transportation

SB1065 - Appropriation; widening; I-10

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 for the 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

Comment: Dead in this format

Tracking Lists: Engineering and Transportation

SB1097 - Truck routes; designation

Summary: For ordinances or resolutions enacted on and after January 1, 2020, the Arizona Department of Transportation (ADOT) or a local authority may only restrict or 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 may 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 SIGNED BY GOVERNOR

Comment: Signed into law. Amending language resolves primary city issues. Earlier: City opposition, would undermine truck route investments that cities have made

Tracking Lists: Engineering and Transportation

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 SIGNED BY GOVERNOR

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

Tracking Lists: Community Development, Engineering and Transportation, FMR

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

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 ten 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.

Comment: Dead. 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

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 their 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 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. Effective January 1, 2024.

Comment: Dead. Oppose

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

SB1246 - Election; transportation tax; Maricopa County (Electronic certificates of title)

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 County) is required to levy a tax of up to 8.6 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Specifies the distribution of net revenues from the tax levy, with 53.5 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, 18.5 percent of revenues distributed to the Regional Area Road Fund for major arterial streets and regional programs, and 28 percent to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation mode classifications. Revenue collected from the tax is prohibited from being used for any light rail, commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing lane miles on a street or roadway, with some exceptions. 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 County) is required to levy a tax of up to 1.3 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Net revenues from the tax levy are distributed to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation modes and capital costs and utility relocation costs associated with light rail public transit systems. Revenue collected from the tax is prohibited from being used for any light rail extension or commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing land miles on a highway or state highway, with some exceptions. Public monies, including the transportation excise tax monies, are prohibited from being used to extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix. Session law outlines requirements for an election on the transportation excise taxes authorized by this legislation, including election dates, ballot format, and publicity pamphlet requirements. 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. Establishes requirements for the public transportation element of the regional transportation plan, including performance standards for bus routes. The state, counties, municipalities, and political subdivisions are prohibited from restricting the use or sale of a device based on the energy source used to power the device or that is consumed by the device. The speed limit for all types of motor vehicles is at least 65 miles per hour on the interstate system highways located in a county with a population of 3 million or more persons (Maricopa County). Modifies the membership of the Regional Planning Agency Transportation Policy Committee. Contains a legislative intent section. Severability clause. AS PASSED HOUSE

Comment: Vetoed. Striker contains approval for a countywide ballot measure that does not represent the unanimously-approved regional transportation plan. Oppose. Striker changed topic from the original certificates of title bill proposal, no longer relevant to fleet for that reason.

Tracking Lists: Neighborhoods, CAO, Finance Budget Procurement Audit, Engineering and Transportation, Municipal Utilities - Fleet and Waste

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.

Comment: Likely dead

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

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 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

Comment: Dead

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

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.

Comment: Dead

Tracking Lists: Engineering and Transportation

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 load 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.

Comment: Dead

Tracking Lists: Engineering and Transportation

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. Specifies 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 routes in 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 excise tax. Much more. Severability clause.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit, Engineering and Transportation

SB1658 - Critical infrastructure; prohibited agreements

Summary: A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) in Arizona 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. Some exceptions. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona. AS PASSED HOUSE

Comment: Vetoed

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

SB1693 - Government vehicles; electric; appropriation

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.

Comment: Dead

Tracking Lists: Engineering and Transportation

SB1697 - Highways; bicycle paths; walkways; prohibition

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 as a component of the highway or state route. ADOT cannot plan, design or construct bicycle paths or pedestrian walkways that are parallel to and separate 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.

Comment: Dead. Would restrict ability to receive/recoup federal funds

Tracking Lists: Engineering and Transportation

Finance Budget Procurement Audit

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

Comment: Dead in this format. Bill may pause and may be rolled into budget discussions.

Tracking Lists: Finance Budget Procurement Audit

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Finance Budget Procurement Audit

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, 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit, Engineering and Transportation

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

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: Dead. 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

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" is 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 for a continuous period of at least 12 months or result in death within 12 months as certified by a "competent medical authority" (defined). AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Finance Budget Procurement Audit

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 tax or 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 that is 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.

Comment: Dead. 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 companies 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.

Tracking Lists: Finance Budget Procurement Audit

HB2115 - Income tax; credits; subtractions

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 is 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 the sale of a charter school.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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

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, or 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

Comment: Dead

Tracking Lists: HR, CAO, Finance Budget Procurement Audit

HB2206 - Software licensure

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

Comment: Dead

Tracking Lists: IT, Finance Budget Procurement Audit

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

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 remote online access to all "DCS information" (defined) identified by the board as necessary to perform the board's duties. The Office of the Ombudsman-Citizens Aide is required to have direct remote access to all DCS information within the DCS automated case management system unless explicitly prohibited by law. AS SIGNED BY GOVERNOR

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

Tracking Lists: Finance Budget Procurement Audit

HB2223 - Liquor; licensing; processes; procedures

Summary: Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary basis a 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 SIGNED BY GOVERNOR

Comment: Signed into law. Earlier: Potential opportunity for amending language

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

HB2257 - Taxation; repeal; selected exemptions

Summary: Eliminates various exemptions from taxation, including the exemptions from the retail classification of transaction privilege taxes for sales of warranty or 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, from 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 the Legislature for passage, and becomes effective on signature of the Governor.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2263 - Tax credits; reporting requirements

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 the 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2268 - Income tax credits; repeal

Summary: Repeals the individual income tax credit for agricultural pollution control equipment. Establishes reporting requirements for recipients of the qualified facility 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2269 - Tax exemptions; credits; review schedule

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2271 - Repeal; tax credits; grants; reporting

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 the qualified facility hired in Arizona in the preceding calendar year, the compensation and benefit information for each full-time employment position created 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 May 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2282 - Tax expenditures; review; recommendations

Summary: The Joint Legislative Income Tax Credit Review Committee is renamed the Joint Legislation 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 was reviewed. Modifies the income tax credit review schedule.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2315 - Primary residence; property tax; exemption

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 state 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2362 - State shared revenues; withholding; repeal

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2367 - Property taxes; elderly assistance fund

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2395 - Repeal; individual income tax

Summary: Repeals the Arizona individual income tax.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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

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

Comment: Likely dead - failed Senate. Held in Military Affairs and Public Safety Committee 2/6/23. Problematic language, preempts local decision-making, unclear sources of metrics

Tracking Lists: PD, Finance Budget Procurement Audit

HB2446 - Smart and safe fund; distribution

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 in proportion to the number of enrolled members in the Public Safety Personnel Retirement System. Retroactive to January 1, 2021. 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. AS SIGNED BY GOVERNOR

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

Tracking Lists: Finance Budget Procurement Audit

HB2447 - TPT; exemption; motor vehicle manufacturers

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 that

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2471 - Government investments; plans; fiduciaries; products

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 the 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 interest of the participants and beneficiaries of the plan, and is required to take into account only pecuniary factors when evaluating an investment. Only the 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 pecuniary interest of the plan. A fiduciary is prohibited from adopting a practice of following the recommendations of a proxy advisory firm unless the firm's 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.

Tracking Lists: Finance Budget Procurement Audit

HB2585 - TPT; digital goods and services

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 use of "prewritten computer software" or providing "specified digital goods" (both defined). The tax base for the digital goods classification is the gross proceeds 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, gross 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: Dead. Problematic, appears to conflict with court ruling

Tracking Lists: Finance Budget Procurement Audit

HB2587 - Governor's declaration; fiscal impact analysis

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, the Auditor General is required to assume that the eligible city satisfied the minimum required attendance in the year of the emergency declaration and the year following that declaration, and that the incremental revenues to the general fund in any year of the initial emergency declaration and the year following that declaration at least equaled the amount of distributions by the state. Retroactive to January 1, 2020.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2677 - Income tax; subtraction; retirement distribution

Summary: For the purpose of computer 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 federal code, to the extent not already excluded from Arizona gross income under the federal Internal Revenue Code.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2707 - Motor fuel tax suspension

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

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2715 - Tax credit; care giving expenses

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 the 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 related directly 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 unused amount forward for up to five tax years.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2756 - Law enforcement; defunding; prohibition

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 monies required to continue the annual operating budget of the municipal police department at the same amount as the previous year.

Comment: Dead

Tracking Lists: PD, Finance Budget Procurement Audit

HB2769 - Ready-to-drink spirits products; tax

Summary: For the purpose of statutes regulating spirituous liquor, the definition of "distilled spirits" is modified to include "ready-to-drink spirits products" (defined) 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HB2807 - TPT; prime contracting; exemption; alterations

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: Dead. Oppose

Tracking Lists: Finance Budget Procurement Audit

HB2808 - Public records; time frame

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

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

HCR2017 - Property tax; exemption; primary residence

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 taxes 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

HCR2043 - Compensation; state preemption; limitation

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 of 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: Likely dead. Preemption proposal

Tracking Lists: HR, Finance Budget Procurement Audit

SB1008 - Court fees; costs; deferral; waiver

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.

Comment: Dead

Tracking Lists: Courts, Finance Budget Procurement Audit

SB1033 - TPT; diapers; feminine hygiene; exemption.

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1063 - Food; municipal tax; exemption...

Summary: Municipalities and other taxing jurisdictions would have been 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). Would have become effective July 1, 2025. AS VETOED BY GOVERNOR. In her veto letter, the Governor expressed concern about the impact this legislation would have on municipalities and the resulting potential cuts to services or increases in property taxes.

Comment: Vetoes. 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

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: Dead. 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

SB1096 - Firearms; contracts; prohibited practices

Summary: A "public entity" (defined) would have been prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology, or construction unless the contract included a written certification that the company did not, and agreed for the duration of the contract that it would not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS VETOED BY GOVERNOR. In her veto letter, the Governor called the bill unnecessary and expressed concern that it could result in banks leaving Arizona's market, resulting in increased costs for local governments.

Comment: Vetoes

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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 their 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 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. Effective January 1, 2024.

Comment: Dead. Oppose

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

SB1139 - Government investments; products; fiduciaries; plans

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 the 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 interest of the participants and beneficiaries of the plan, and is required to take into account only pecuniary factors when evaluating an investment. Only the 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 pecuniary interest of the plan. A fiduciary is prohibited from adopting a practice of following the recommendations of a proxy advisory firm unless the firm's 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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: Signed into law Prev: Support. Expected amendment language to codify victim access.

Tracking Lists: PD, Finance Budget Procurement Audit

SB1156 - Income tax; subtraction; adoption fees

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 year 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

Comment: Likely dead

Tracking Lists: Finance Budget Procurement Audit

SB1184 - Municipal tax exemption; residential leases

Summary: Beginning January 1, 2024, municipalities and other taxing jurisdictions would have been prohibited from levying a transaction privilege, use, or other similar 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, 2025, 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 real

property for residential purposes during FY2021-22, based on the average amount that the municipality collected from that tax during FY2021-22. Also, 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 this bill lacks any enforceable mechanism to ensure relief will be provided to renters and includes an appropriation outside of a comprehensive budget agreement.

Comment: Vetoed. 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 companies that are in the business of residential rental stop remitting their tax, is \$16 million annually.

Tracking Lists: Finance Budget Procurement Audit

SB1189 - Municipal tax code commission; continuation (~~Regents; officers; technical correction~~)

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

Comment: Signed into law. Monitor, anticipated striker with Municipal Tax Code Commission language

Tracking Lists: Finance Budget Procurement Audit

SB1203 - Income tax; reduction; budget surplus

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 50 percent of the budget surplus provided in the notice. On receipt of any subsequent notice, ADOR is required to further reduce the income tax rate from the prior taxable year 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

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.

Comment: Dead

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

SB1240 - Virtual currency; property tax exemption

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

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1245 - VLT; cities and towns; counties

Summary: Counties and municipalities are required to use vehicle license tax monies for purposes related to transportation.

Comment: Dead. Preemption bill regarding local decision-making on budget setting.

Tracking Lists: Finance Budget Procurement Audit

SB1246 - Election; transportation tax; Maricopa County (~~Electronic certificates of title~~)

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 County) is required to levy a tax of up to 8.6 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Specifies the distribution of net revenues from the tax levy, with 53.5 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, 18.5 percent of revenues distributed to the Regional Area Road Fund for major arterial streets and regional programs, and 28 percent to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation mode classifications. Revenue collected from the tax is prohibited from being used for any light rail, commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing lane miles on a street or roadway, with some exceptions. 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 County) is required to levy a tax of up to 1.3 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Net revenues from the tax levy are distributed to the Public Transportation Fund for

capital costs, maintenance, and operation of public transportation modes and capital costs and utility relocation costs associated with light rail public transit systems. Revenue collected from the tax is prohibited from being used for any light rail extension or commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing land miles on a highway or state highway, with some exceptions. Public monies, including the transportation excise tax monies, are prohibited from being used to extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix. Session law outlines requirements for an election on the transportation excise taxes authorized by this legislation, including election dates, ballot format, and publicity pamphlet requirements. 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. Establishes requirements for the public transportation element of the regional transportation plan, including performance standards for bus routes. The state, counties, municipalities, and political subdivisions are prohibited from restricting the use or sale of a device based on the energy source used to power the device or that is consumed by the device. The speed limit for all types of motor vehicles is at least 65 miles per hour on the interstate system highways located in a county with a population of 3 million or more persons (Maricopa County). Modifies the membership of the Regional Planning Agency Transportation Policy Committee. Contains a legislative intent section. Severability clause. AS PASSED HOUSE

Comment: Vetoed. Striker contains approval for a countywide ballot measure that does not represent the unanimously-approved regional transportation plan. Oppose. Striker changed topic from the original certificates of title bill proposal, no longer relevant to fleet for that reason.

Tracking Lists: Neighborhoods, CAO, Finance Budget Procurement Audit, Engineering and Transportation, Municipal Utilities - Fleet and Waste

SB1260 - Small businesses; income tax; rate

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 tax rate was 2.8 percent for tax years 2023 and 2024. Retroactive to tax years beginning with 2023. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Finance Budget Procurement Audit

SB1263 - Property tax; revisions (Business personal property; tax exemption)

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 and 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

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1274 - Computer data centers; TPT; refund

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, 2004 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 specified refunds. Retroactive to January 1, 2022. AS SIGNED BY GOVERNOR

Comment: Signed into law. Amendment is supported by cities and DOR, brings cities to neutral.

Tracking Lists: Finance Budget Procurement Audit

SB1319 - VLT exemption; veteran amputees

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 and drawing compensation on that basis is exempt from vehicle license taxes and registration fees.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1325 - TPT; administration; remote sellers

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 special 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.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1369 - Certified peace officers; hiring reimbursement

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, Finance Budget Procurement Audit

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 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 within 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 to a listing of all current notices and ordinances on the website's home page.

Comment: Dead

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

SB1418 - Religious; political beliefs; adverse actions (~~Attorneys; court professionals; discipline; juries~~)

Summary: A "government agent" (defined) is prohibited from initiating, taking, conducting, assisting, or participating in an "adverse action" (defined as a criminal or civil investigation, prosecution, or similar proceeding) against any natural person if a substantial motivation for the government agent's decision to do so is motivated 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 deemed unenforceable and invalid. 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. AS PASSED SENATE

Comment: Dead. Concerning striker language regarding contracts and procurement

Tracking Lists: CAO, Finance Budget Procurement Audit

SB1473 - Tax corrections act of 2023

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Finance Budget Procurement Audit

SB1500 - Government investments; fiduciaries; pecuniary benefit

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 the 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 interest of the participants and beneficiaries of the plan, and is required to take into account only pecuniary factors when evaluating an investment. Only the 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 pecuniary interest of the plan. A fiduciary is prohibited from adopting a practice of following the recommendations of a proxy advisory firm unless the firm's 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.

Comment: Vetoed

Tracking Lists: Finance Budget Procurement Audit

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. Specifies 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 routes in 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 excise tax. Much more. Severability clause.

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit, Engineering and Transportation

SB1559 - Businesses; fees; income tax reduction

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 lowering barriers for new businesses to compete for state contracts. AS PASSED SENATE

Comment: Dead

Tracking Lists: Finance Budget Procurement Audit

SB1577 - Income tax rate; reduction; surplus

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.

Comment: Dead. Represents potential ongoing cuts to revenues that support city services, programs, and projects

Tracking Lists: Finance Budget Procurement Audit

SB1611 - Public entities; contracts; prohibition

Summary: A public entity is prohibited from requiring a company to implement an "environmental, social or governance standards policy" (defined) as a condition of entering into or renewing a contract with a company to acquire services, supplies, information technology, goods or construction services. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: CAO, Finance Budget Procurement Audit

SB1658 - Critical infrastructure; prohibited agreements

Summary: A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) in Arizona 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. Some exceptions. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona. AS PASSED HOUSE

Comment: Vetoed

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

SCR1006 - Death benefit; assault; first responders.

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 and forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties from July 1, 2025 through December 31, 2032, and to deposit the monies from the surcharge in the newly established State Supplemental Benefit Fund. Beginning July 1, 2025, the state is required to pay \$250,000 to the surviving spouse of a "first responder" who is "killed in the line of duty" (both defined), using monies from the Fund. Contains legislative findings. Severability clause. AS SENT TO SECRETARY OF STATE

Comment: Likely dead - passed both Chambers but not signed by GKH

Tracking Lists: HR, PD, Finance Budget Procurement Audit, FMR

SCR1035 - Surplus; income tax rate; reduction

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.

Comment: Dead. Would represent potential ongoing cuts to revenues that support city services, programs and projects.

Tracking Lists: Finance Budget Procurement Audit

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 plan 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 employment was continuous. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, FMR

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.

Comment: Dead

Tracking Lists: PD, FMR

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).

Comment: Dead

Tracking Lists: IT, PD, FMR

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: FMR, Community Health and Human Services

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

Comment: Likely dead - no third read in Senate

Tracking Lists: FMR

HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)

Summary: The traumatic event counseling program for public safety employees is expanded to include 911 dispatchers in a primary or secondary public safety answering point who are exposed to any of a list of traumatic events while in the course of duty. AS SIGNED BY GOVERNOR

Comment: Signed into Law prev notes: Intent to have mental health resources for dispatchers. Amending language anticipated.

Tracking Lists: HR, PD, FMR

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 SIGNED BY GOVERNOR

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

Tracking Lists: Community Development, Engineering and Transportation, FMR

SB1162 - Home-based businesses; restrictions; prohibition

Summary: A home-based business would have been required to be allowed as a use by right if the home-based business did 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 would have been disallowed from prohibiting a "no-impact home-based business" (defined) or from requiring a person to apply for, register, or obtain a permit, license, variance or other type of prior municipal approval to operate a no-impact home-based business. Counties and municipalities would have been authorized to establish reasonable regulations on a home-based business if the regulations were 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this approach to supporting small businesses is too broad and would create challenges for public safety and code enforcement in neighborhoods.

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

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

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 per resident charge for sober living homes by 50 percent.

Comment: Dead Earlier: 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

SB1286 - Telecommunications fund; report; posting

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.

Comment: Vetoed by GKH on 6/5/23 <https://apps.azleg.gov/BillStatus/BillOverview/78898>

Tracking Lists: PD, FMR

SB1308 - Fireworks; aerial devices; retailers; licensure

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.

Comment: Dead

Tracking Lists: CAO, PD, FMR

SB1711 - Ambulances; emergency medical services

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.

Comment: Signed into law

Tracking Lists: FMR

SCR1006 - Death benefit; assault; first responders.

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 and forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties from July 1, 2025 through December 31, 2032, and to deposit the monies from the surcharge in the newly established State Supplemental Benefit Fund. Beginning July 1, 2025, the state is required to pay \$250,000 to the surviving spouse of a "first responder" who is "killed in the line of duty" (both defined), using monies from the Fund. Contains legislative findings. Severability clause. AS SENT TO SECRETARY OF STATE

Comment: Likely dead - passed both Chambers but not signed by GKH

Tracking Lists: HR, PD, Finance Budget Procurement Audit, FMR

HR

HB2008 - ASRS; contribution prepayment

Sponsor: Rep. David Livingston (R)

Summary: When an Arizona State Retirement System (ASRS) employer is prepaying the employer's 401(a) pension contributions directly to ASRS, the earnings 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 any prepayment agreement made between ASRS and the state or any state agency. AS SIGNED BY GOVERNOR

Tracking Lists: HR

HB2009 - ASRS; retirement application; changes

Sponsor: Rep. David Livingston (R)

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. AS SIGNED BY GOVERNOR

Tracking Lists: HR

HB2015 - Retirement plans; plan election; rehire

Sponsor: Rep. David Livingston (R)

Summary: For the Public Safety Personnel Retirement System and Corrections Officer Retirement Plan, if an eligible employee who was already a member of the plan 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 employment was continuous. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, FMR

HB2020 - ASRS; contribution prepayment; appropriation

Sponsor: Rep. David Livingston (R)

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

HB2028 - PSPRS; contribution rates

Sponsor: Rep. David Livingston (R)

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 11.65 percent. Beginning July 1, 2023, the amount of the member's contribution that exceeds 7.65 percent and that was accumulated between July 1, 2011 through June 30, 2023 may be used in calculating the employers contributions. Retroactive to July 1, 2023. Emergency clause. AS SIGNED BY GOVERNOR

Tracking Lists: HR

HB2029 - ASRS; supplemental deferral plan; participation

Sponsor: Rep. David Livingston (R)

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 its employees to participate in a supplemental employee deferral plan that is overseen by ASRS by entering into an agreement with ASRS. AS SIGNED BY GOVERNOR

Tracking Lists: HR

HB2108 - Unemployment; requirements; disqualifications; shared work (Unemployment benefits; requirements; disqualifications)

Sponsor: Rep. David Livingston (R)

Summary: In determining the validity of claims for unemployment insurance benefits, the Arizona Department of Economic Security (ADES) would have been prohibited from paying benefits for an initial or ongoing claim until the initial claim was cross-checked, or an ongoing claim was 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 resulted in information indicating that a claim was ineligible or fraudulent, that claim would have been prohibited from being paid, and the claimant would have been disqualified from receiving benefits and referred for prosecution. To qualify for benefits, an individual would have been required to conduct at least five work search actions each week and to provide a weekly report to ADES that detailed the work search actions. Employers would have been required to report to ADES when an individual who was previously employed with that employer refused to return to work or accept an offer of suitable work, failed to appear for a scheduled interview, or failed to respond to an offer of employment. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this legislation undermines ADES efforts to modernize the unemployment insurance claims system.

Tracking Lists: HR

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

Sponsor: Rep. David Livingston (R)

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, or 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

Comment: Dead

Tracking Lists: HR, CAO, Finance Budget Procurement Audit

HB2303 - Employment; vaccination record; prohibition

Sponsor: Rep. Cory McGarr (R)

Summary: An employer is prohibited from requiring or requesting an employee's vaccination records as a condition of employment.

Tracking Lists: HR

HB2649 - Street encampments; safety; health requirements (~~Appropriation; correction officers; retention bonus~~)

Sponsor: Rep. Teresa Martinez (R)

Summary: If a county or municipality establishes, allows the establishment of, or fails to disband within a reasonable period of time, a "homeless encampment" (defined) either on private property in violation of county or municipal regulations or on public property, the county or municipality is required to provide a list of provisions at the homeless encampment, including at least 2 toilets and 2 handwashing units per 100 residents, adequate potable water and trash receptacles, and at least 2 shower units if the encampment has at least 50 residents. For an encampment located on private property, the property owner must consent to the placement of these services prior to the placement. Does not apply to a homeless encampment on federal land. Emergency clause.

Comment: Dead - failed in House final reading after initially passing both Chambers

Tracking Lists: HR, PD

HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)

Sponsor: Rep. Melody Hernandez (D)

Summary: The traumatic event counseling program for public safety employees is expanded to include 911 dispatchers in a primary or secondary public safety answering point who are exposed to any of a list of traumatic events while in the course of duty. AS SIGNED BY GOVERNOR

Comment: Signed into Law prev notes: Intent to have mental health resources for dispatchers. Amending language anticipated.

Tracking Lists: HR, PD, FMR

HCR2025 - Death benefit; assault; first responders

Sponsor: Rep. Kevin Payne (R)

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 and forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties through December 31, 2032, and to deposit the 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. Severability clause.

Tracking Lists: HR

HCR2043 - Compensation; state preemption; limitation

Sponsor: Rep. Matt Gress (R)

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 of 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: Likely dead. Preemption proposal

Tracking Lists: HR, Finance Budget Procurement Audit

SB1018 - Collaborative care; appropriation (~~Mental health coverage; collaborative care~~)

Sponsor: Sen. Thomas "T.J." Shope (R)

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 center applicants 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

Tracking Lists: HR

SB1031 - Public employees; employment; termination

Sponsor: Sen. Anthony Kern (R)

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.

Tracking Lists: HR

SB1052 - Insurance coverage; biomarker testing (~~Biomarker testing; insurance coverage; definitions~~)

Sponsor: Sen. Thomas "T.J." Shope (R)

Summary: A policy that provides "limited benefit coverage" (defined elsewhere in statute) is excluded from the requirement for a disability insurer and a group or blanket disability insurer to provide coverage for biomarker testing. AS SIGNED BY GOVERNOR

Tracking Lists: HR

SB1061 - Public officials; home addresses; confidentiality

Sponsor: Sen. Thomas "T.J." Shope (R)

Summary: An "election officer" and a "public official" (both defined) are added to the list of persons who may request that the general public be prohibited from accessing public records containing that person's identifying information that are maintained by the county or the Arizona Department of Transportation. It is a class 5 (second lowest) felony to knowingly make available on the internet the personal information of an election officer or public official. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, CAO

SB1164 - Workers' compensation; fraud investigations; adjudications

Sponsor: Sen. Steve Kaiser (R)

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, and to the appropriate county attorney or the Attorney General for prosecution. Also amends HB2431 as transmitted to the Governor to state that the total aggregate maximum amount of the additional premium each commercial workers' compensation insurer may charge and collect from all fire district insureds is \$800,000. AS PASSED HOUSE

Comment: Signed into law

Tracking Lists: HR, CAO

SB1167 - Unemployment insurance; benefit amounts; definition

Sponsor: Sen. Steve Kaiser (R)

Summary: Reduces the maximum amount of unemployment insurance benefits during a benefit year to between 12 and 20 times the individual's weekly benefit amount, based on the unemployment rate in the prior calendar quarter, as follows: 12 times for an unemployment rate of 5 percent or less; 13 times for an unemployment rate of 5 to 5.5 percent; 14 times for an unemployment rate of 5.5 to 6 percent; 15 times for an unemployment rate of 6 to 6.5 percent; 16 times for an unemployment rate of 6.5 to 7 percent; 17 times for an unemployment rate of 7 to 7.5 percent; 18 times for an unemployment rate of 7.5 to 8 percent; 19 times for an unemployment rate of 8 to 8.5 percent; and 20 times for an unemployment rate of more than 8.5 percent. Previously, the maximum was 26 times the weekly benefit amount if the unemployment rate was 5 percent or more, and 24 times the weekly benefit amount if the unemployment rate was less than 5 percent.

Comment: Dead

Tracking Lists: HR, CAO

SB1250 - Employers; vaccines; religious exemption

Sponsor: Sen. Janae Shamp (R)

Summary: Employers would have been 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 would have been 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 would have been 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 would have been required to investigate all complaints. If the AG found a complaint valid, the AG would have been required to notify the employer and allow the employer the opportunity to correct the noncompliance within 10 days. The AG would have been required to assess a civil penalty of \$5,000 on an employer that did not correct the noncompliance. AS VETOED BY GOVERNOR. In her veto message, the Governor called this bill unnecessary, as legal protections for an employee's religious beliefs already exist in federal employment law.

Tracking Lists: HR

SB1292 - Health insurance; essential benefits; requirements

Sponsor: Sen. Rosanna Gabaldón (D)

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 renew 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.

Tracking Lists: HR

SB1369 - Certified peace officers; hiring reimbursement

Sponsor: Sen. David Gowan (R)

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, Finance Budget Procurement Audit

SB1433 - Employer liability; COVID-19 vaccine requirement

Sponsor: Sen. Justine Wadsack (R)

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 \$1 million, whichever is greater, and may also recover exemplary damages. These rights supplement any other rights and remedies provided by law.

Tracking Lists: HR

SB1694 - Public monies; ideology training; prohibition

Sponsor: Sen. Jake Hoffman (R)

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 is authorized to bring an action against the public entity. AS PASSED SENATE

Comment: Dead

Tracking Lists: HR, Diversity, Equity & Inclusion

SB1704 - Government; vaccination mandate; prohibition (~~Lobbying; public body; definition~~)

Sponsor: Sen. Justine Wadsack (R)

Summary: It is an unlawful discriminatory practice for any government entity to deny to a person any local or state services, goods, privileges, licensing, educational opportunities, health care access, or employment opportunities based on the person's "vaccination status" or whether the person has an "immunity passport" (both defined). It is an unlawful discriminatory practice for an employer to refuse employment to a person or discriminate against a person, and for a public accommodation to exclude, limit, refuse to serve, or otherwise discriminate against a person based on the person's vaccination status or whether the person has an immunity passport. A person cannot be required to receive any vaccine for which a U.S. Food and Drug Administration emergency use authorization has been issued. Does not apply to a health care institution or immunization requirements for school attendance. Contains a legislative intent section. AS PASSED SENATE

Tracking Lists: HR

SCR1006 - Death benefit; assault; first responders.

Sponsor: Sen. David Gowan (R)

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 and forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties from July 1, 2025 through December 31, 2032, and to deposit the monies from the surcharge in the newly established State Supplemental Benefit Fund. Beginning July 1, 2025, the state is required to pay \$250,000 to the surviving spouse of a "first responder" who is "killed in the line of duty" (both defined), using monies from the Fund. Contains legislative findings. Severability clause. AS SENT TO SECRETARY OF STATE

Comment: Likely dead - passed both Chambers but not signed by GKH

Tracking Lists: HR, PD, Finance Budget Procurement Audit, FMR

IT

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).

Comment: Dead

Tracking Lists: IT, PD, FMR

HB2206 - Software licensure

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

Comment: Dead

Tracking Lists: IT, Finance Budget Procurement Audit

HB2357 - Broadband; internet protocol services; commission.

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 this requirements, and requirements for the rules are listed.

Tracking Lists: IT

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 would have been required to develop standards, guidelines, and practices for state agencies, contractors of the state, and public institutions of higher education that required 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 "country of concern" (defined). The standards would have been required to address the use of personal electronic devices by state employees and contractors to conduct state 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 would have been prohibited from conducting state business on any personal electronic device that had a covered application, and from using any communications equipment and services that were included on the Federal Communications Commission's covered communications or services list and that were deemed to pose an unacceptable risk to the national security of the United States. More. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that since state agencies are already taking actions to comply with Executive Order 2023-10 to protect the state's cybersecurity interests, she believes this bill is duplicative.

Comment: Vetoed

Tracking Lists: IT, Communications & Marketing

HB2614 - State broadband grant program

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

SB1101 - Authorized third parties; ADOT (~~ADOT; authorized third parties; CDLs~~)

Summary: Third party driver license providers authorized by the Arizona Department of Transportation (ADOT) would have been allowed to perform administrative functions only or testing functions only, instead of only both administrative and testing functions. ADOT would have been disallowed from prohibiting an authorized third party from printing an electronic certificate of title or a registration tab or windshield sticker. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that allowing authorized third parties to print security-enhanced certificates of title and registration tab stocks outside of ADOT's central distribution model poses a significant public safety risk.

Comment: Vetoed

Tracking Lists: Municipal Utilities - Fleet and Waste

SB1246 - Election; transportation tax; Maricopa County (~~Electronic certificates of title~~)

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 County) is required to levy a tax of up to 8.6 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Specifies the distribution of net revenues from the tax levy, with 53.5 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, 18.5 percent of revenues distributed to the Regional Area Road Fund for major arterial streets and regional programs, and 28 percent to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation mode classifications. Revenue collected from the tax is prohibited from being used for any light rail, commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing lane miles on a street or roadway, with some exceptions. 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 County) is required to levy a tax of up to 1.3 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Net revenues from the tax levy are distributed to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation modes and capital costs and utility relocation costs associated with light rail public transit systems. Revenue collected from the tax is prohibited from being used for any light rail extension or commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing land miles on a highway or state highway, with some exceptions. Public monies, including the transportation excise tax monies, are prohibited from being used to extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix. Session law outlines requirements for an election on the transportation excise taxes authorized by this legislation, including election dates, ballot format, and publicity pamphlet requirements. 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. Establishes requirements for the public transportation element of the regional transportation plan, including performance standards for bus routes. The state, counties, municipalities, and political subdivisions are prohibited from restricting the use or sale of a device based on the energy source used to power the device or that is consumed by the device. The speed limit for all types of motor vehicles is at least 65 miles per hour on the interstate system highways located in a county with a population of 3 million or more persons (Maricopa County). Modifies the membership of the Regional Planning Agency Transportation Policy Committee. Contains a legislative intent section. Severability clause. AS PASSED HOUSE

Comment: Vetoed. Striker contains approval for a countywide ballot measure that does not represent the unanimously-approved regional transportation plan. Oppose. Striker changed topic from the original certificates of title bill proposal, no longer relevant to fleet for that reason.

Tracking Lists: Neighborhoods, CAO, Finance Budget Procurement Audit, Engineering and Transportation, Municipal Utilities - Fleet and Waste

Municipal Utilities - Water

HB2022 - Water; report; fees; levee (~~Water resources; annual report~~)

Summary: The deadline for the Arizona Department of Water Resources (ADWR) to provide the Governor and the Legislature with an annual operations report is moved to August 15 of each year, from July 1. The report must be made available to the public on the ADWR website. Modifies the FY2023-24 general appropriations act to require the Water Infrastructure Finance Authority to distribute monies in the Little Colorado River levee line item to Navajo County, instead of the City of Winslow, to reconstruct the Little Colorado River levee. Requires the Arizona Department of Water Resources to reduce specified application fees to no more than \$100 per application. Emergency clause. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: Municipal Utilities - Water

HB2026 - Appropriation; on-farm efficiency fund

Summary: Appropriates \$30 million from the general fund in FY2023-24 to the On-Farm Irrigation Efficiency Fund.

Comment: Likely dead in this form. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2048 - Assured water; small residential developments

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. 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.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water, Community Development

HB2143 - Gray water; residential standards; rules (~~Rulemaking review; time frame~~)

Summary: The Director of the Arizona Department of Environmental Quality is authorized to establish by rule minimum requirements for residential gray water treatment systems that are used indoors for toilet flushing that are necessary to address public health or safety concerns. Until rules are adopted, residential gray water may be used indoors for toilet flushing with a gray water treatment system that uses less than 400 gallons of gray water per day and complies with a list of specified requirements. AS SIGNED BY GOVERNOR

Comment: Signed into law Prev: Striker has greywater/graywater reuse proposal. AMWUA support.

Tracking Lists: Municipal Utilities - Water, Sustainability & Resilience

HB2164 - Subsequent irrigation; non-expansion areas; procedures

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 for 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 modifies the procedure for the designation of a subsequent irrigation non-expansion area initiated by petition.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

HB2165 - Adequate water supply; statewide requirements

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 service 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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water, Community Development

HB2217 - Appropriation; brackish groundwater; studies; review (~~Water protection; technical correction~~)

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: Likely dead. AMWUA monitor--for striker

Tracking Lists: Municipal Utilities - Water

HB2266 - Reporting; groundwater pumping; measuring

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: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

HB2278 - Well drilling; groundwater basins.

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 exceptions.

Comment: Dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2323 - Water augmentation fund; brackish groundwater

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 Arizona (and therefore qualifies), without regard to whether the monies for the project are expended inside Arizona or whether the project imports water from outside the boundaries of Arizona.

Comment: Dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2372 - Colorado River water transfers; limit

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 that 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 any 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 border 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 2,033.01 acre feet of Colorado River water recommended for approval by the Director of the Arizona Department of Water Resources by letter to the United States Bureau of Reclamation on January 20, 2021.

Comment: Dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2376 - Agricultural land; foreign ownership; prohibition

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 entity" (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

Comment: Dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2406 - Water treatment facilities; loan repayment

Summary: Counties and 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.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

HB2411 - Grazing operations; energy projects; compensation (Water supply; elimination; reduction; damages)

Summary: A business is prohibited from contracting or subcontracting with an Arizona resident or a business in Arizona to construct a project that reduces the size of a grazing lessee's grazing operation unless the business compensates the "grazing lessee" (defined) at fair market value for a list of costs and losses. AS PASSED HOUSE

Comment: Dead. AMWUA no position

Tracking Lists: Municipal Utilities - Water

HB2438 - Board of supervisors; powers; water

Summary: County boards of supervisors are authorized to participate in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure. AS SIGNED BY GOVERNOR

Comment: Signed into law. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2442 - Temporary non-expansion area

Summary: 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 would have been established. The question of whether to designate a temporary non-expansion area would have been required to be approved by a majority of the voters who resided inside the boundaries of the proposed area. If a temporary non-expansion area was established, only acres of land that were irrigated at any time during the preceding five years would have been allowed to be irrigated with groundwater, and ADWR would have been prohibited from authorizing the drilling of a well in the area. AS VETOED BY GOVERNOR. In her veto message, the Governor pointed out several provisions she called troubling and said this bill falls short of protecting the water future of rural communities.

Comment: Vetoed. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2443 - Navigable stream adjudication commission; extension

Summary: The statutory life of the Arizona Navigable Stream Adjudication Commission is extended four years to through June 30, 2028. AS SIGNED BY GOVERNOR

Comment: Signed into law. AMWUA support

Tracking Lists: Municipal Utilities - Water

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: Likely dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

HB2535 - Private property; wells; regulation; prohibition

Summary: A well drilled with the consent of the well owner on private property in an unincorporated area would have been exempt from municipal regulation if the unincorporated area where the well was located was annexed by a municipality after the well was drilled. With the consent of the building or structure owner, any buildings or structures that required water from a well drilled on private property in an unincorporated area would have been prohibited from being required to connect to a municipal water system. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that prohibiting a municipality from requiring even the most basic of safety standards and regulations for groundwater wells threatens the safety and quality of drinking water that public utilities provide throughout Arizona.

Comment: Vetoed. AMWUA potential oppose

Tracking Lists: Municipal Utilities - Water

HB2561 - City water provider; requirements; service

Summary: A municipality that provides water service is required to provide water service through an intergovernmental agreement with a standpipe district for a period of up to three years by use of a standpipe for water hauling to residences outside the municipality's water service area that do not have access to sufficient water if a list of specified conditions apply, including that the municipality previously provided water service to the residences and there is no other adequate source of water for those persons within 10 miles of their residences. Establishes a list of responsibilities of the standpipe district under the intergovernmental agreement. The agreement is contingent on a standpipe district obtaining a source of water from a third party absent a municipality's consent to use the municipality's own source of water. No more than 750 residences are allowed to receive water from any standpipe district. Municipalities

are not liable to any person or entity for providing or failing to provide water under these provisions. Self-repeals January 1, 2026. Emergency clause. AS PASSED HOUSE

Comment: Dead

Tracking Lists: Municipal Utilities - Water

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 2023-2024 to the Department of Emergency and Military Affairs (DEMA for construction, installation and maintenance of a water tank with a capacity of at least 50,000 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 use and fire protection as needed until a water provider establishes a water supply for persons in that area. Emergency clause.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

HB2669 - Prohibition; biosolids; land application (~~Solid waste; sludge; water quality~~)

Summary: The Director of the Arizona Department of Environmental Quality must require any land application of a substance that contains sewage or septage to comply with Sewage Sludge Program rules. A biosolid combined with a solid waste is required to be regulated as a solid waste. AS PASSED SENATE

Comment: Signed into law. Earlier: Concerning proposal regarding biosolid process. Current language would negatively affect Tempe's biosolids treatment through the SROG partnership. Sponsor may be open to amendments that eliminate negative unintended consequences from the bill

Tracking Lists: Municipal Utilities - Water

HB2731 - Local groundwater stewardship areas

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 one or 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 monies in the Fund to implement and support LGSAs. Of the monies remaining in the State Lottery Fund each fiscal year after other statutory appropriations and deposits, \$50 million must be deposited in the Fund. More.

Comment: Dead. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

HB2763 - Appropriation; Mohave wash recharge basin

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.

Comment: Likely dead

Tracking Lists: Municipal Utilities - Water

HB2793 - Water efficient plumbing fixtures

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.

Comment: Dead. AMWUA potential support

Tracking Lists: Municipal Utilities - Water

SB1079 - Water infrastructure finance authority; cities

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.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

SB1090 - Groundwater pumping; foreign ownership; prohibition

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.

Comment: Dead. AMWUA monitor

Tracking Lists: Municipal Utilities - Water

SB1093 - City water provider; service; requirements

Summary: A municipality that provides water service is required to provide water service through a standpipe for water hauling to persons residing outside the city's or town'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. Conditionally repealed on the persons acquiring access to sufficient water supplies or on January 1, 2026.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

SB1223 - Water infrastructure; commerce grant fund

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 2022, 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 FY2023-24 to the Fund.

Comment: Dead. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1257 - Water resources; assistant director

Summary: The Director of the Arizona Department of Water Resources (ADWR) would have been required to appoint an Assistant Director whose exclusive duties would have been coordinating with the Water Infrastructure Finance Authority of Arizona and water users regarding projects that would augment water supplies through importation of water to Arizona from outside Arizona and projects that would increase Arizona's in-state water storage capacity. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this is an unnecessary mandate for ADWR to hire for a role that can already be satisfied by existing ADWR staff.

Comment: Vetoed. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1306 - Local groundwater stewardship areas.

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 one or 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 monies in

the Fund to implement and support LGSAs. Of the monies remaining in the State Lottery Fund each fiscal year after other statutory appropriations and deposits, \$50 million must be deposited in the Fund. More.

Comment: Dead. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1390 - Water infrastructure finance authority; amendments

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 the 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. Emergency clause. AS PASSED HOUSE

Comment: Signed into law with emergency clause. AMWUA potential support

Tracking Lists: Municipal Utilities - Water

SB1391 - Department of environmental quality; counsel

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.

Comment: Vetoed. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1432 - Assured water; small residential developments..

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.

Comment: Signed into law

Tracking Lists: Municipal Utilities - Water, Community Development

SB1438 - Active management; non-expansion area; fees

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.

Comment: Dead. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1439 - State lands; leases; groundwater use

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.

Comment: Dead. AMWUA potential support

Tracking Lists: Municipal Utilities - Water

SB1440 - Drinking water standards; pollutants

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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

SB1446 - Groundwater pumping; measuring; reporting

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 specified information on the withdrawals. Some exceptions.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

SB1447 - Well drilling; groundwater basins

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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

SB1448 - Subsequent active management area; designation

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 active management area as a subsequent active management area if the Director determines that any of a list of specified circumstances exist.

Comment: Dead. AMWUA potential monitor

Tracking Lists: Municipal Utilities - Water

SB1450 - Adequate water supply; statewide requirements.

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 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 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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

SB1469 - Appropriation; Page; water infrastructure projects

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 specified water infrastructure projects.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

SB1520 - Wells; spacing; permits

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.

Comment: Dead. AMWUA support

Tracking Lists: Municipal Utilities - Water

SB1521 - Exempt wells; metering; reporting

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 the 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.

Comment: Dead

Tracking Lists: Municipal Utilities - Water

SB1651 - Water; energy; financing program.

Summary: Counties and municipalities are authorized to provide for or allow the construction, installation or modification of critical capital expenditure improvements, 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. More.

Comment: Dead

Tracking Lists: Municipal Utilities - Water, Sustainability & Resilience

SB1658 - Critical infrastructure; prohibited agreements

Summary: A business or governmental entity in Arizona is prohibited from entering into an agreement involving "critical infrastructure" (defined elsewhere in statute) in Arizona 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. Some exceptions. The Governor is authorized to designate a country as a threat to critical infrastructure in Arizona. AS PASSED HOUSE

Comment: Vetoed

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

SB1660 - Water; storage; effluent; credits (Water; effluent; credits)

Summary: The Arizona Department of Water Resources is authorized to issue a water storage permit to store water that is not originally supplied by a municipal or private water company, that is used in an "industrial facility" (defined) located within the service area of a wastewater provider that holds a certificate of convenience and necessity and that is treated at the site of use to meet or exceed aquifer water quality standards, if the water will be stored at a constructed underground storage facility at the site where the water was used before treatment, and the application is received no later than December 31, 2025. This water may be used by the storer only for a nonirrigation use at the same site where the water was stored, and any long-term storage credits accrued may only be used at the site where the water was stored. AS PASSED SENATE

Comment: Likely dead. Oppose. AMWUA oppose

Tracking Lists: Municipal Utilities - Water

Neighborhoods

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.

Comment: Dead

Tracking Lists: Neighborhoods, Community Development

HB2228 - Sales; home solicitation (~~Home solicitation sales~~)

Summary: A sale made with a prior invitation, appointment, or consent from the buyer is exempt from regulation as a "home solicitation sale" (defined). AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Neighborhoods, PD

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 ten business days to decide whether the association will report a claim to the master policy. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: Neighborhoods

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 resident of the community from entering the community if the community restricts vehicular or pedestrian access. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Neighborhoods

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.

Comment: Dead

Tracking Lists: Neighborhoods, CAO

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 dogs or cats by a pet store or pet dealer.

Comment: Dead

Tracking Lists: Neighborhoods, CAO

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.

Comment: Dead

Tracking Lists: Neighborhoods

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 or owned, and if leased, the contact information of the leasing company. A seller's affidavit of disclosure is also required to include a statement that it is unlawful to attempt to avoid land division regulations by acting in concert to divide a parcel of land into six or more parcels. An applicant to split a parcel of land must include an affidavit or similar document signed under oath by the applicant acknowledging that the applicant is aware that it is unlawful to attempt to avoid land division regulations by acting in concert to divide a parcel of land into six or more parcels. The penalty for violating land division regulations is increased to \$2,000 for each infraction, from \$1,000 for each infraction. AS SIGNED BY GOVERNOR

Comment: Signed into law Prev: AMWUA potential support

Tracking Lists: Neighborhoods, Sustainability & Resilience

HB2607 - Board members; condominiums; planned communities (Meetings; homeowners' associations)

Summary: If all of the requirements for calling a special meeting to remove a member of a condo association or homeowner's association (HOA) board are met, and the HOA board fails to call the special meeting within 30 days after receipt of the petition, the members of the board are deemed removed from office effective at midnight of the 31st day. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Neighborhoods

HB2758 - Vacation rentals; short-term rentals; regulation

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 are 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 allows the use of the rental for nonresidential use or avoids paying transaction privilege tax for bookings made without the use of an online lodging marketplace that is registered with the Arizona Department of Revenue. Modifies the definition of "vacation rental" or "short-term rental" to limit the number of days per year the house or unit may be offered for transient use.

Comment: Dead

Tracking Lists: Neighborhoods

HCR2011 - Vacation rentals; short-term rentals

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 rights to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

Comment: Dead

Tracking Lists: Neighborhoods, Community Development

SB1034 - Homeowners' associations; flag ban; prohibition

Summary: Condominium associations and homeowners' associations cannot prohibit the outdoor display of any flag unless the flag is obscene, defamatory, or likely to incite violence.

Comment: Dead

Tracking Lists: Neighborhoods

SB1049 - Homeowners' associations; Betsy Ross flag

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. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Neighborhoods

SB1116 - Political signs; public roadways; prohibition

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

Comment: Dead

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

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

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

Comment: Dead. 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, planning and zoning framework. Unfortunately, the language does not include policies that would advance guaranteed affordable housing. (A striker/strike-everything 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

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 ten 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.

Comment: Dead. 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

SB1162 - Home-based businesses; restrictions; prohibition

Summary: A home-based business would have been required to be allowed as a use by right if the home-based business did 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 would have been disallowed from prohibiting a "no-impact home-based business" (defined) or from requiring a person to apply for, register, or obtain a permit, license, variance or other type of prior municipal approval to operate a no-impact home-based business. Counties and municipalities would have been authorized to establish reasonable regulations on a home-based business if the regulations were 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 VETOED BY GOVERNOR. In her veto message, the Governor stated that this approach to supporting small businesses is too broad and would create challenges for public safety and code enforcement in neighborhoods.

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

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

SB1246 - Election; transportation tax; Maricopa County (~~Electronic certificates of title~~)

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 County) is required to levy a tax of up to 8.6 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Specifies the distribution of net revenues from the tax levy, with 53.5 percent of revenues distributed to the Regional Area Road Fund for freeways and other routes in the state highway system, 18.5 percent of revenues distributed to the Regional Area Road Fund for major arterial streets and regional programs, and 28 percent to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation mode classifications. Revenue collected from the tax is prohibited from being used for any light rail, commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing lane miles on a street or roadway, with some exceptions. 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 County) is required to levy a tax of up to 1.3 percent of the transaction privilege tax rate as of January 1, 1990. The tax levied will be in effect for 20 years. Net revenues from the tax levy are distributed to the Public Transportation Fund for capital costs, maintenance, and operation of public transportation modes and capital costs and utility relocation costs associated with light rail public transit systems. Revenue collected from the tax is prohibited from being used for any light rail extension or commuter rail, street cars, or trolleys, and from being spent on any project that will result in a reduction in existing land miles on a highway or state highway, with some exceptions. Public monies, including the transportation excise tax monies, are prohibited from being used to extend light rail between 7th Avenue and 19th Avenue and Adams Street and Jefferson Street in Phoenix. Session law outlines requirements for an election on the transportation excise taxes authorized by this legislation, including election dates, ballot format, and publicity pamphlet requirements. 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. Establishes requirements for the public transportation element of the regional transportation plan, including performance standards for bus routes. The state, counties, municipalities, and political subdivisions are prohibited from restricting the use or sale of a device based on the energy source used to power the device or that is consumed by the device. The speed limit for all types of motor vehicles is at least 65 miles per hour on the interstate system highways located in a county with a population of 3 million or more persons (Maricopa County). Modifies the membership of the Regional Planning Agency Transportation Policy Committee. Contains a legislative intent section. Severability clause. AS PASSED HOUSE

Comment: Vetoed. Striker contains approval for a countywide ballot measure that does not represent the unanimously-approved regional transportation plan. Oppose. Striker changed topic from the original certificates of title bill proposal, no longer relevant to fleet for that reason.

Tracking Lists: Neighborhoods, CAO, Finance Budget Procurement Audit, Engineering and Transportation, Municipal Utilities - Fleet and Waste

SB1321 - Backyard fowl; regulation; prohibition (~~Appropriation; Little Colorado River levee~~)

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

Comment: Likely dead. Passed both chambers but not signed by GKH. Striker includes language to require allowances for backyard fowl, within specific parameters. Language is similar, but does not perfectly align with current Tempe regulations.

Tracking Lists: Neighborhoods, CAO, Community Development

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 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.

Comment: Dead

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

SB1384 - Homeowners' associations; annual meeting

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 occurs 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 absentee ballots, and the process for absentee ballot voting is specified.

Comment: Dead

Tracking Lists: Neighborhoods

SB1387 - Homeowner's associations; board duties; indemnification

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 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 or any failure to take any action if the duties were performed in compliance with these requirements. A legislative intent section states that these changes are clarifying and do not provide any substantive change in the law.

Comment: Dead

Tracking Lists: Neighborhoods

SB1456 - Homeowners' associations; records requests

Summary: Establishes a specific list of records that homeowners' associations and condo associations are required to make reasonably available to a member or unit 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.

Comment: Dead

Tracking Lists: Neighborhoods

SB1470 - Homeowners' association liens; homestead exemptions

Summary: A homeowners' association or condo association lien is subject to the homestead exemption.

Comment: Dead

Tracking Lists: Neighborhoods

SB1497 - Vacation rentals; diminution in value

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 political

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 and 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.

Comment: Dead

Tracking Lists: Neighborhoods

SCR1032 - Short-term rentals; vacation rentals.

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 rights to use private real property does not apply to land use laws that regulate a vacation rental or short-term rental.

Comment: Dead

Tracking Lists: Neighborhoods

HB2004 - Vehicle accidents; financial responsibility

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."

Comment: Dead

Tracking Lists: PD

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 plan 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 employment was continuous. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, FMR

HB2017 - Public officers; residency requirements

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.

Comment: Dead

Tracking Lists: PD

HB2058 - Flight from law enforcement; classification

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.

Comment: Dead

Tracking Lists: PD

HB2059 - Riot; unlawful assembly; classification; liability

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 other persons, causes serious physical injury to another person who is not participating in the riot, causes property damage in excess of \$5,000, displays, uses, 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 acting 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 where the perpetration of the burglary is facilitated by "conditions arising from the riot" (defined) 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 municipality 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

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.

Comment: Dead

Tracking Lists: PD, FMR

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).

Comment: Dead

Tracking Lists: IT, PD, FMR

HB2169 - Child sex doll; exploitation (~~Sexual conduct; minor; classification; sentence~~)

Summary: It is a class 4 (lower mid-level) felony to intentionally or knowingly possess a "child sex doll" (defined); to traffic a child sex doll by knowingly manufacturing, distributing, selling, advertising, shipping, or possessing with the intent to distribute, sell, or ship a child sex doll; and to import a child sex doll by knowingly transporting a child sex doll into Arizona with the intent to distribute, sell, or transfer the child sex doll. Does not apply to a common carrier transporting a container with a child sex doll if the common carrier does not have knowledge of the container's contents. Possessing, manufacturing, advertising, ordering, selling or purchasing a child sex doll that uses the face, image, or likeness of a real infant or minor who is under 12 years of age is added to the definition of sexual exploitation of a minor, a class 2 (second highest) felony. Emergency clause. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: PD

HB2170 - Provisional concealed weapons permit

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. Establishes 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.

Comment: Dead

Tracking Lists: PD

HB2212 - Criminal damage; trespassing; critical facilities

Summary: The definition of aggravated criminal damage would have been expanded to include interfering with or otherwise preventing the performance of a normal function of any utility infrastructure or property or the intended course or path of any utility service. The classification for aggravated criminal damage under these circumstances would have been a class 5 (second-lowest) felony, except that the classification would have increased for damages greater than \$1,500. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this conduct is already covered by several state and federal laws, making this bill unnecessary.

Comment: Vetoes

Tracking Lists: PD

HB2223 - Liquor; licensing; processes; procedures

Summary: Various changes to statutes relating to liquor licenses. The Department of Liquor Licenses and Control (DLLC) is authorized to issue on a temporary basis a 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 SIGNED BY GOVERNOR

Comment: Signed into law. Earlier: Potential opportunity for amending language

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

HB2226 - Appropriation; fentanyl prosecution; testing; fund

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

Comment: Likely dead

Tracking Lists: PD

HB2228 - Sales; home solicitation (~~Home solicitation sales~~)

Summary: A sale made with a prior invitation, appointment, or consent from the buyer is exempt from regulation as a "home solicitation sale" (defined). AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Neighborhoods, PD

HB2293 - Liquor; purchase; identification

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. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: PD

HB2297 - Fraudulent schemes; artifices; jurisdiction

Summary: In a prosecution for a violation of fraudulent schemes and artifices, the state would not have been required to establish that all of the acts that constituted a violation occurred in Arizona or within a single local jurisdiction in Arizona. Would have stated that is not a defense that not all of the acts that constituted a violation occurred in Arizona or within a single local jurisdiction within Arizona. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that existing state law adequately outlines the jurisdictional issues addressed in this bill.

Comment: Vetoed

Tracking Lists: PD

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 of 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 inquiry as though the conviction did not exist. AS PASSED HOUSE

Comment: Likely dead

Tracking Lists: PD

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 would have been required to render a written opinion to determine the constitutionality of any federal law, treaty, order, rule, regulation, action, or program that was alleged to be inconsistent with or contrary to the authority of state or local law enforcement agencies. The laws of Arizona would have been required to be interpreted and construed to protect Arizona's sovereign authority against federal actions. To the extent that any law, treaty, executive order, rule, or regulation of the U.S. government had been found by a court of competent jurisdiction to violate Article II, Section 3 of the state Constitution or the 10th amendment to the U.S. Constitution, that law, treaty, executive order, rule, or regulation would have been declared null, void, and unenforceable in Arizona. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill would create ambiguity within law enforcement and conflict for federally funded and administered programs in Arizona.

Comment: Vetoed

Tracking Lists: CAO, PD

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 actions) 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.

Comment: Dead

Tracking Lists: CAO, PD

HB2394 - Firearms; sovereign authority

Summary: The state of Arizona and all political subdivisions would have been prohibited from using any personnel or financial resources to enforce, administer or cooperate with any 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. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill exempts the firearm industry from the same basic regulation to which all other industries are accustomed.

Comment: Vetoed

Tracking Lists: PD

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

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

Comment: Likely dead - failed Senate. Held in Military Affairs and Public Safety Committee 2/6/23. Problematic language, preempts local decision-making, unclear sources of metrics

Tracking Lists: PD, Finance Budget Procurement Audit

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 18 months' 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, to 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 180 days of house arrest.

Comment: Dead

Tracking Lists: PD

HB2427 - Domestic violence; pregnant victim; sentencing

Summary: The list of circumstances under which assault is classified as aggravated assault, a class 3 (upper mid-level) felony, would have been expanded to include if the person committed the assault knowing or having reason to know that the victim was pregnant and there was a domestic relationship (defined elsewhere in statute) between the person and the victim. If a person was convicted of a domestic violence offense and the victim was pregnant at the time of the commission of the offense, the court would have been required to increase the sentence by up to five years, instead of two years. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that current law already allows the court to consider the pregnancy of the victim as a factor in sentencing.

Comment: Vetoed

Tracking Lists: PD

HB2482 - Sexual assault kits; victim notification (~~Appropriations; crime-victim-notification fund-~~)

Summary: Expands the types of software that may be purchased by law enforcement agencies using monies from the Law Enforcement Crime Victim Notification Fund. Monies in the Fund are continuously appropriated. Establishes a 10-member Sexual Assault Kit Study Committee to examine 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. In FY2023-24 through FY2025-26, the Arizona Criminal Justice Commission is required to include a partnership between at least two vendors for the purpose of expanding the automated crime victim notification system. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: PD, Community Health and Human Services

HB2484 - Failure to return vehicle (~~Failure to return vehicle; repeat-~~)

Summary: Repeals the crime of unlawful failure to return a motor vehicle subject to a security interest, a class 6 (lowest) felony. A person is required to return a motor vehicle that is subject to a security interest if a list of specified conditions applies, including that the person fails to make a payment on the lien for more than 90 days, and the secured creditor notifies the owner in writing that the owner is 90 days late in making a payment and is in default. Some exceptions. If a person does not return a motor vehicle, the secured creditor is authorized to file an affidavit with the Arizona Department of Transportation (ADOT), and ADOT is required to immediately suspend the registration of, and any license plate assigned to, the motor vehicle. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: PD

HB2544 - Arizona manufactured; modified firearms

Summary: A personal firearm, a firearm accessory or ammunition that is "modified" (defined) in Arizona and that remains within the borders of Arizona would not have been subject to federal law or federal regulation, including registration, under the authority of the U.S. Congress to regulate interstate commerce and would not be considered to have traveled in interstate commerce. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this limits the ability of federal lawmakers and law enforcement agencies, and could lead to ambiguity and confusion when state and federal laws diverge.

Comment: Vetoed

Tracking Lists: PD

HB2617 - Carrying of firearms; constables

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 annual firearms proficiency, undergoes a psychological examination, and either possesses a valid concealed weapons permit or completes a background investigation approved by the AZPOST Board would have been unable to be prohibited from carrying a firearm except under a list of specified circumstances where all peace officers are allowed to be prohibited from carrying a firearm. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that constables are already able to carry firearms during the performance of their duties, and she is concerned that some constables would see this as giving them a "duty to respond" when they are off duty.

Comment: Vetoed

Tracking Lists: PD

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 nautical mile, not including the human voice alone. A person operating a "power-driven watercraft" (defined) is required to use an engine cutoff switch link while 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.

Comment: Likely dead

Tracking Lists: PD, Community Services

HB2630 - Tobacco; alternative nicotine; vapor products

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: Dead. Earlier: Likely dead - failed in committee

Tracking Lists: CAO, PD, Economic Development

HB2632 - Appropriation; simulators; law enforcement; probation

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

Comment: Likely dead

Tracking Lists: PD

HB2649 - Street encampments; safety; health requirements (~~Appropriation; correction officers; retention bonus~~)

Summary: If a county or municipality establishes, allows the establishment of, or fails to disband within a reasonable period of time, a "homeless encampment" (defined) either on private property in violation of county or municipal regulations or on public property, the county or municipality is required to provide a list of provisions at the homeless encampment, including at least 2 toilets and 2 handwashing units per 100 residents, adequate potable water and trash receptacles, and at least 2 shower units if the encampment has at least 50 residents. For an encampment located on private property, the property owner must consent to the placement of these services prior to the placement. Does not apply to a homeless encampment on federal land. Emergency clause.

Comment: Dead - failed in House final reading after initially passing both Chambers

Tracking Lists: HR, PD

HB2651 - Missing children; alert; notification; reporting

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, report information to the National Crime Information Center Missing Person Database, 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. Some exceptions. For an abducted child, DCS is required to notify the appropriate law enforcement agency and the agency is required to determine if the situation meets amber alert or silver alert criteria. 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 and post it to social media platforms. 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. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: PD

HB2659 - Building permits; conditions; qualifications

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 on issuance of a stop work order issued by the county or municipality. Violations are a class 6 (lowest) felony.

Comment: Dead

Tracking Lists: Community Development, PD

HB2667 - Disruption; educational institution; concealed weapon.

Summary: The governing board of any university, college or community college would have been prohibited from enacting or enforcing any policy or rule that prohibited the possession of a concealed weapon by a person who possessed a valid concealed weapons permit, or that prohibited the transportation or storage of a firearm. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill could lead to increased risk on campus and other unintended consequences.

Comment: Vetoed

Tracking Lists: PD

HB2704 - Appropriation; border; law enforcement; prosecution

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.

Comment: Likely dead

Tracking Lists: PD

HB2705 - Schools; safety training; pilot program

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.

Comment: Likely dead

Tracking Lists: PD

HB2717 - Trauma counseling; 911 dispatchers (~~Communicable disease information; 911 dispatchers~~)

Summary: The traumatic event counseling program for public safety employees is expanded to include 911 dispatchers in a primary or secondary public safety answering point who are exposed to any of a list of traumatic events while in the course of duty. AS SIGNED BY GOVERNOR

Comment: Signed into Law prev notes: Intent to have mental health resources for dispatchers. Amending language anticipated.

Tracking Lists: HR, PD, FMR

HB2755 - Appropriation; real-time crime center

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

Comment: Likely dead

Tracking Lists: PD

HB2756 - Law enforcement; defunding; prohibition

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 monies required to continue the annual operating budget of the municipal police department at the same amount as the previous year.

Comment: Dead

Tracking Lists: PD, Finance Budget Procurement Audit

HB2802 - Fentanyl sales; manufacture; sentencing; testing

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 dose" (defined) 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 dose 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 SENATE

Comment: Vetoed

Tracking Lists: PD

HB2808 - Public records; time frame

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

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

SB1003 - Traffic violations; identification

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.

Comment: Dead

Tracking Lists: PD

SB1009 - Criminal damage; monuments; memorials; statues

Summary: Defacing, damaging or tampering with a public or private monument, memorial or statue would have been classified as aggravated criminal damage, a class 6 (lowest) felony, if it resulted from an intentional or reckless act. If the damaged property was at least \$1,500 but less than \$10,000, the criminal classification would have been increased to a class 5 (second lowest) felony, and if the damaged property was \$10,000 or more, the criminal classification would have been increased to a class 4 (lower mid-level) felony. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that state law already provides adequate tools to prosecute criminal damage to the items contemplated in this bill.

Comment: Vetoed

Tracking Lists: PD

SB1013 - Colleges; universities; free speech zones

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 limit any area on campus where free speech may be exercised by a person who is lawfully present. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: PD

SB1022 - Pedestrians; selling goods; begging; medians

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.

Comment: Dead

Tracking Lists: CAO, PD

SB1023 - Residential picketing; offense

Summary: A person commits residential picketing, a class 3 (lowest) misdemeanor, if the person intentionally engages in picketing or otherwise demonstrates near the residence of an individual if the picketing or demonstrating is intentionally directed at a person located in the residence at the time it occurs, and if a reasonable person would find the picketing or demonstrating to be harassing, threatening, or alarming to a person in the residence. AS PASSED HOUSE

Comment: Signed into law

Tracking Lists: PD

SB1024 - Public rights-of-way; unlawful acts

Summary: A person would have been 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. Would not have applied to a commercial motor vehicle. AS VETOED BY GOVERNOR. In her veto letter, the Governor stated that this bill does not solve Arizona's housing and homelessness crisis in a meaningful way.

Comment: Vetoed

Tracking Lists: CAO, PD

SB1027 - Carfentanil; fentanyl; minors; penalties (~~Carfentanil; fentanyl; threshold amount; minors~~)

Summary: Would have made various changes to statutes relating to drug offenses. Minimum, presumptive, and maximum sentences for possession for sale, manufacture, administering to another person, or transporting for sale heroin, carfentanil, fentanyl, or fentanyl mimetic substances would have been established. Would have made it a class 2 (second highest) felony to knowingly manufacture carfentanil, fentanyl, or fentanyl mimetic substances under any circumstance that caused physical injury to a minor who is under 15 years of age. Manufacturing carfentanil, fentanyl or fentanyl mimetic substances under circumstances that cause physical injury to a minor would have been added to the definition of "dangerous crimes against children." AS VETOED BY GOVERNOR. In her veto message, the Governor expressed concern that this bill would undermine the purpose of Arizona's "Good Samaritan Law" and encouraged the Legislature to send her a narrower bill that focuses on the manufacture of fentanyl.

Comment: Vetoed

Tracking Lists: PD

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 person knows or has reason to know that the performance could be viewed by a minor. A second or subsequent violation is a class 6 (lowest) felony. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: PD, Community Services

SB1029 - Marijuana tax; collection; report; enforcement (~~Felony murder; fentanyl; sentencing~~)

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 its

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

Comment: Dead

Tracking Lists: PD

SB1035 - Sidewalks; scooters; bicycles; fifteen mph

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.

Comment: Dead

Tracking Lists: PD, Engineering and Transportation

SB1047 - Criminal trespass; aiding peace officer (~~Interfering with law enforcement; offense~~)

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

Comment: Likely dead - passed both chambers but not signed by GKH

Tracking Lists: PD

SB1050 - Appropriation; DUI; data collection

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.

Comment: Dead

Tracking Lists: PD

SB1055 - Funding; full-service crime labs (~~Full-service crime labs; funding~~)

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 proportion of group A and group B crimes reported for the jurisdiction(s) where each full-service crime laboratory provides services in relation to the total number reported in all jurisdictions in Arizona. 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. Appropriates \$700,000 from the general fund in FY2023-24, FY2024-25, and FY2025-26 to the Fund. Appropriates \$200,000 from the general fund in FY2023-24 to DPS for crime lab services. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: PD

SB1058 - Law enforcement; polygraph examinations; prohibition

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 the date of appointment or employment is moved to session law and self-repeals January 1, 2027.

Comment: Dead

Tracking Lists: PD

SB1064 - Sentencing enhancements; drug-free zones

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 drugs, 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 the 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.

Comment: Dead Prev: City supported. Policy initiated at the city level

Tracking Lists: PD

SB1086 - Racketeering; animal fighting; cockfighting

Summary: For the purpose of the Criminal Code, the definition of "racketeering" is expanded to include animal fighting or cockfighting for financial gain.

Comment: Dead

Tracking Lists: PD

SB1088 - Identification; traffic violations (~~Good Samaritan; drug overdose; extension~~)

Summary: A person other than the driver of a motor vehicle is required to provide their true full name and date of birth 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. Failure or refusing to provide this information is a class 3 (lowest) misdemeanor. The person cannot be compelled to answer any other inquiry of a peace officer. AS PASSED HOUSE

Comment: Dead - failed the House

Tracking Lists: PD

SB1096 - Firearms; contracts; prohibited practices

Summary: A "public entity" (defined) would have been prohibited from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology, or construction unless the contract included a written certification that the company did not, and agreed for the duration of the contract that it would not, "discriminate" against a "firearm entity" or "firearm trade association" (all defined). AS VETOED BY GOVERNOR. In her veto letter, the Governor called the bill unnecessary and expressed concern that it could result in banks leaving Arizona's market, resulting in increased costs for local governments.

Comment: Vetoed

Tracking Lists: CAO, PD, Finance Budget Procurement Audit

SB1109 - Prohibited weapons; muffling device; repeal

Summary: For the purposes of the criminal code, a device that is designed, made, or adapted to muffle the report of a firearm would have been removed from the definition of "prohibited weapon." AS VETOED BY GOVERNOR. In her veto message, the Governor stated that legalizing gun silencers, or any other weapon that is currently on the "prohibited weapon" list, will make Arizonans less safe.

Comment: Vetoed

Tracking Lists: PD

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: Signed into law Prev: Support. Expected amendment language to codify victim access.

Tracking Lists: PD, Finance Budget Procurement Audit

SB1160 - Medical assistance; drugs; prohibited arrest

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 the person's seeking medical assistance.

Comment: Dead

Tracking Lists: PD

SB1162 - Home-based businesses; restrictions; prohibition

Summary: A home-based business would have been required to be allowed as a use by right if the home-based business did 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 would have been disallowed from prohibiting a "no-impact home-based business" (defined) or from requiring a person to apply for, register, or obtain a permit, license, variance or other type of prior municipal approval to operate a no-impact home-based business. Counties and municipalities would have been authorized to establish reasonable regulations on a home-based business if the regulations were 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

VETOED BY GOVERNOR. In her veto message, the Governor stated that this approach to supporting small businesses is too broad and would create challenges for public safety and code enforcement in neighborhoods.

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

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

SB1187 - Public safety investment fund; appropriation

Summary: Establishes the Public Safety Investment Fund and appropriates \$45 million from the general fund in FY2023-24 to the Fund.

Comment: Dead

Tracking Lists: PD

SB1188 - Regulation; permissible consumer fireworks (~~Technical correction; nonprobate transfers~~)

Summary: Changes one of the ranges of dates that the use of permissible consumer fireworks is allowed in Arizona to December 26 through January 4, instead of December 24 through January 3. AS PASSED SENATE

Comment: Signed into law

Tracking Lists: Community Development, PD

SB1200 - Aggravated unlawful flight; law enforcement.

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 fee 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 2 (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.

Comment: Dead

Tracking Lists: PD

SB1244 - Tax credit extension; affordable housing (~~Appropriations; crime victim notification fund~~)

Summary: The property valuation of a project that qualifies for the Affordable Housing Tax Credit that uses the owner-elected statutory income-based valuation method is not a reduction in state or local property taxes for the purposes of the Credit. AS PASSED HOUSE

Comment: Likely dead - passed both chambers but not signed by GKH

Tracking Lists: PD, Community Health and Human Services

SB1262 - Probation; felony violation; rearrest

Summary: The court would have been required to issue a warrant without delay for the rearrest of a defendant who was charged by indictment or information with a felony offense that was committed while the defendant was on probation, unless the court had previously considered the felony offense at a prior revocation hearing. A defendant who was arrested under these circumstances would not have been eligible for release while probation revocation proceedings were pending. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill raises due process concerns, and encouraged the proponents to work with stakeholders and bring back a consensus proposal next session.

Comment: Vetoed

Tracking Lists: PD

SB1286 - Telecommunications fund; report; posting

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.

Comment: Vetoed by GKH on 6/5/23 <https://apps.azleg.gov/BillStatus/BillOverview/78898>

Tracking Lists: PD, FMR

SB1295 - Public nuisance; immunity; domestic violence

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 is, has been, or is about to become a victim of domestic violence.

Comment: Dead

Tracking Lists: PD

SB1301 - Misconduct investigations; time limit; applicability (~~Law enforcement investigations; applicability~~)

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 HOUSE

Comment: Vetoed

Tracking Lists: PD

SB1308 - Fireworks; aerial devices; retailers; licensure

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.

Comment: Dead

Tracking Lists: CAO, PD, FMR

SB1309 - Aggravated unlawful flight; law enforcement

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 fee 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 the 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 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. AS PASSED SENATE

Comment: Dead - failed House third reading

Tracking Lists: PD

SB1369 - Certified peace officers; hiring reimbursement

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 SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: HR, PD, Finance Budget Procurement Audit

SB1413 - Homeless encampment; removal

Summary: On receipt of a report of the existence of a "homeless encampment" (defined), a county or municipality would have been required to notify the owner to remove the owner's tent, structure, or other personal property from the area in which the encampment is located. If removal did not occur within 24 hours, the county or municipality would have been required to claim the property and retain the property for 14 days, during which the owner would have been allowed to claim the property. Unclaimed property would have been allowed to be disposed of as provided in statute. Persons living at an encampment located on private property would have been deemed guilty of trespassing. Persons living at the encampment who are engaging in illegal drug use would have been deemed guilty of the appropriate drug-related offense. AS VETOED BY THE GOVERNOR. In her veto message, the Governor stated that this legislation does not address the root causes of homelessness, offers no pathways to assistance, and effectively criminalizes experiencing homelessness.

Comment: Vetoed

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

SB1427 - Carrying of firearms; exceptions

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 located prohibited by federal law; or pursuant to any

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.

Comment: Dead

Tracking Lists: CAO, PD, Community Services

SB1428 - Political subdivisions; gun shows; preemption

Summary: Political subdivisions would have been disallowed from prohibiting a gun show from occurring in the political subdivision or enacting or enforcing any ordinance, rule or policy that primarily affects gun shows and effectively prohibited a gun show from occurring in the political subdivision. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill needlessly restricts the authority of local governments to make decisions about how to keep their communities safe.

Comment: Vetoed

Tracking Lists: CAO, PD, Community Services

SB1588 - Criminal justice data collection; system.

Summary: The Arizona Criminal Justice Commission is required to implement the state, county and municipal online data system. The Commission is required to publish the data system on the Commission's website in an electronic format that is accessible to the public. Unless prohibited by any other law, criminal justice agencies in Arizona approved by the Commission as ready to report are required to submit specified data into the system. The Commission is required to establish policies 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. AS PASSED SENATE

Comment: Vetoed

Tracking Lists: Courts, PD

SB1696 - Sexually explicit materials; government; prohibition

Summary: The state, a state agency, or a county, municipality, or political subdivision of Arizona would have been prohibited from exposing minors to "sexually explicit materials" (defined) and would have been required to prohibit its contractors from exposing minors to sexually explicit materials. A facility or property owned, leased or managed by these entities would have been prohibited from being used for filming or facilitating sexually explicit acts. Violations would have been classified as a class 5 (second-lowest) felony. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill is vague and serves as little more than a thinly veiled effort to ban books.

Comment: Vetoed

Tracking Lists: CAO, PD

SCR1006 - Death benefit; assault; first responders.

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 and forfeiture imposed and collected by the courts for criminal offenses and on traffic-related civil penalties from July 1, 2025 through December 31, 2032, and to deposit the monies from the surcharge in the newly established State Supplemental Benefit Fund. Beginning July 1, 2025, the state is required to pay \$250,000 to the surviving spouse of a "first responder" who is "killed in the line of duty" (both defined), using monies from the Fund. Contains legislative findings. Severability clause. AS SENT TO SECRETARY OF STATE

Comment: Likely dead - passed both Chambers but not signed by GKH

Tracking Lists: HR, PD, Finance Budget Procurement Audit, FMR

Sustainability & Resilience

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

HB2143 - Gray water; residential standards; rules (Rulemaking review; time frame)

Summary: The Director of the Arizona Department of Environmental Quality is authorized to establish by rule minimum requirements for residential gray water treatment systems that are used indoors for toilet flushing that are necessary to address public health or safety concerns. Until rules are adopted, residential gray water may be used indoors for toilet flushing with a gray water treatment system that uses less than 400 gallons of gray water per day and complies with a list of specified requirements. AS SIGNED BY GOVERNOR

Comment: Signed into law Prev: Striker has greywater/graywater reuse proposal. AMWUA support.

Tracking Lists: Municipal Utilities - Water, Sustainability & Resilience

HB2216 - Hazardous air pollutants program

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. AS SIGNED BY GOVERNOR

Comment: Signed into law

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

HB2241 - Electric vehicles; charging; pilot program

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.

Comment: Dead

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

HB2279 - Greenhouse gas programs; repeal prohibition

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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

HB2348 - Auxiliary containers; regulation; prohibition; repeal

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 bags, 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience, CAO

HB2349 - Instructional school garden program

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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

HB2350 - State properties; grass lawns; prohibition

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 required 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

HB2354 - Local agriculture; public schools; program

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 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

HB2440 - Electric energy; power companies; priorities

Summary: A public power entity or public service corporation responsible for its service territory would have been 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 would have been 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 would have been required to prioritize the reliability of the grid and affordability of the costs to retail electric customers. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that the Arizona Corporation Commission (ACC) has rate-making authority and that the ACC is already required to consider reliability and affordability.

Comment: Vetoed

Tracking Lists: Sustainability & Resilience

HB2441 - Standpipe service; continuation; emergency (~~State tree; residential planning~~)

Summary: On the effective date of this legislation, a municipality that provided water service in a county with a population of more than 1.5 million persons (Maricopa County) would have been required to execute a treat and transport agreement with one or more third parties and, for a period of up to three years, would have been required to treat and transport water to a standpipe and allow use of the standpipe for water to be hauled to residences that were outside the municipality's water service area if a list of specified conditions applied, including that the number of residences to be served was capped at 750, the municipality previously provided standpipe service to water haulers that deliver water to the residences, and there was no other source of water for those persons within ten miles of their residences. The municipality would have been required to be reimbursed for the full reasonable costs of treating and transporting the water and allowing the water to be hauled from the standpipe. These provisions would have self-repealed January 1, 2026. AS VETOED BY GOVERNOR. In her veto message, the Governor stated that this bill fails to provide an immediate solution and called on the Legislature to send HB2561 to her desk, a bipartisan solution that addresses the long-term issue of wildcat development and that includes an emergency clause for immediate effect.

Comment: Vetoed

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

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 or owned, and if leased, the contact information of the leasing company. A seller's affidavit of disclosure is also required to include a statement that it is unlawful to attempt to avoid land division regulations by acting in concert to divide a parcel of land into six or more parcels. An applicant to split a parcel of land must include an affidavit or similar document signed under oath by the applicant acknowledging that the applicant is aware that it is unlawful to attempt to avoid land division regulations by acting in concert to divide a parcel of land into six or more parcels. The penalty for violating land division regulations is increased to \$2,000 for each infraction, from \$1,000 for each infraction. AS SIGNED BY GOVERNOR

Comment: Signed into law Prev: AMWUA potential support

Tracking Lists: Neighborhoods, Sustainability & Resilience

HB2618 - Decommissioning; solar and wind; standards

Summary: Establishes two new chapters in Title 30 (Power) regulating solar and wind energy power plants. Counties and municipalities are authorized to adopt zoning standards, site specific conditions, and permitting requirements or procedures for a solar or wind energy power plant located in the county or municipality. The transfer of a solar or wind energy power plant or special use permit or the sale of the entity owning the plant cannot occur without written acceptance by the transferee of the transferor's obligations under this legislation. Municipalities are authorized to establish a procedure for approving a sale and transfer of a solar or wind energy power plant. Before or in conjunction with approving a land use or zoning permit application for a solar or wind energy power plant, a county or municipality is authorized to adopt a procedure for waiving the financial assurance required by statute if a list of specified conditions is met. The owner or operator of a solar or wind energy power plant is required to maintain the plant in good condition and repair and to ensure that the plant remains functional and in continuous operation until decommissioning of the plant is initiated. Counties and municipalities are authorized to adopt reasonable timelines and requirements for the cure and repair of damage or defects to a component of a solar or wind energy power plant, and to adopt and enforce reasonable penalties for the violation of or noncompliance with timeline requirements, including initiating or completing decommissioning or site restoration at the owner or operator's expense. Solar or wind energy power plant owners or operators are prohibited from abandoning a plant for any reason, including bankruptcy or financial insolvency. Before a county or municipality may approve a land use or zoning permit application for a solar or wind energy power plant, the 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. Counties and municipalities are authorized to adopt procedures for reviewing and approving a decommissioning and site restoration plan for a solar or wind energy power plant, and to adopt minimum standards for the decommissioning or restoration of a solar energy power plant. Solar and wind energy power plant owners or operators are required to continuously maintain financial assurance as determined by the county or municipality where the plant is located, which must be reasonably based on the estimated costs of decommissioning and site restoration. Solar and wind energy power plant owners or operators are required to maintain a commercial general liability insurance policy that results in coverage of any reasonable liability to third parties for specified injuries or damages. Provides for applicability of these provisions. AS PASSED SENATE

Comment: Vetoes

Tracking Lists: Sustainability & Resilience

HB2702 - Energy projects; grazing operations; compensation

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 profits, the 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

HCM2008 - Air quality; ozone standards; opposing

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. AS SENT TO SECRETARY OF STATE

Comment: Likely dead - passed both Chambers but not yet signed by GKH

Tracking Lists: Sustainability & Resilience

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.

Comment: Likely dead

Tracking Lists: Sustainability & Resilience, Engineering and Transportation

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 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

Comment: Dead

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

SB1441 - Electric vehicles; pilot program; appropriation

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 or 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. Appropriates \$500,000 from the general fund in FY2023-24 to ADOA for the pilot program.

Comment: Dead

Tracking Lists: Sustainability & Resilience

SB1442 - Transportation electrification study committee

Summary: Establishes an 11-member Transportation Electrification Study Committee to collaborate with local governments, electric utilities, environmental groups, the 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, 2024, and self-repeals October 1, 2025.

Comment: Dead

Tracking Lists: Sustainability & Resilience

SB1444 - Zero emission vehicles; plans

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 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

SB1445 - Charging station; pilot program

Summary: The Arizona Department of Administration (ADOA) is required to conduct a two-year electric vehicle charging station pilot program. All state agencies may 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 and use applicable federal monies to fund the pilot program. The pilot program self-repeals October 1, 2026.

Comment: Dead

Tracking Lists: Sustainability & Resilience

SB1502 - Corporation commission; electric generation resources

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 each public service corporation 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.

Comment: Dead

Tracking Lists: Sustainability & Resilience

SB1651 - Water; energy; financing program.

Summary: Counties and municipalities are authorized to provide for or allow the construction, installation or modification of critical capital expenditure improvements, 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. More.

Comment: Dead

June 28, 2023

The Honorable Michael Regan
U.S. Environmental Protection Agency
Office of the Administrator
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Regan,

On behalf of the Maricopa Association of Governments (MAG), we are writing to highlight several issues affecting Arizona and the greater Phoenix area and to request a meeting with you to discuss the substantial challenges our area faces in addressing requirements imposed by the 2015 ozone National Ambient Air Quality Standard, specifically as it relates to background ozone and local-state controllability.

MAG is the designated metropolitan planning organization for the Phoenix region comprised of 32 elected leaders of our region's municipalities, Native nations, and counties, all of which are committed to solving the collective issues facing our communities. To this end, our core program areas include serving as the regional air quality planning agency, developing and maintaining a robust multimodal transportation system, and advancing environmental quality for the region's long-term sustainability.

As you are aware, according to the Clean Air Act, areas that are designated as "nonattainment" for the ozone NAAQS must submit plans that demonstrate how the area will comply with the federal standards by applicable deadlines. Following EPA's action to reclassify the Phoenix-Mesa Area to Moderate Nonattainment in October 2022, we were given two months to develop plans, draft rules, secure the necessary ozone reduction equipment, and provide for necessary control measures in a State Implementation Plan. This was simply insufficient time to carry out these activities or the complex stakeholder engagement process required to determine what reasonable available control measures to implement in our area to meaningfully reduce ozone precursors.

To put our request in context, the MAG region covers 10,647 square miles with a population quickly approaching five million. Our planning area is larger than the state of Connecticut and includes Maricopa County – the fastest growing county in the country. Despite our unprecedented growth, we have continued to significantly decrease air pollutants over the past several decades. Until recently, this demonstrated progress had included ozone. The Phoenix-Mesa area, however, has recently experienced episodes with higher levels of ozone.

More Than 50 Years of Serving the Region

Through challenging and costly municipal, county, and state programs, we are proud to have met all previous ozone standards imposed under the 1979, 1997, and 2008 ozone NAAQS. However, the 2015 ozone standard of 70 parts per billion poses an entirely different challenge from previous standards, not just to our region, but to the entire Intermountain West. Because of our geography and atmospheric weather conditions, we face significant compliance challenges due to background ozone. Because this is air pollution generated through man-made and natural conditions outside of our borders (and in some cases outside of the borders of the United States) we lack both the legal authority and ability to control how this pollution affects our local air quality.

The background ozone challenge is not new and our concern is not unique. Under the Clean Air Act and the U.S. Environmental Protection Agency's (EPA's) interpretation of certain provisions, however, several actions can be triggered for MAG and other urban areas in the Intermountain West. One of these potential consequences is for the Phoenix-Mesa area to be "bumped up" to a higher nonattainment classification, in our case, to classification as a Serious nonattainment area that carries with it several potential consequences, including requirements for new transportation control measures and increased "emission offsets" that can severely limit economic growth.

Therefore, we believe now is the time to enter a new phase of collaboration to comprehensively study these issues and find reasonable regulatory solutions that recognize unique transport, natural, climatological, and geographic circumstances facing the Phoenix metropolitan region, Arizona, and the entire Intermountain West. Rather than impose automatic consequences and even potential Clean Air Act "sanctions," we ask for a collaborative process to develop a better solution to address air quality issues that local communities cannot control, and to mitigate disproportionate impact on our residents and businesses. This can be both forward-looking and grounded in the cooperative federalism that was envisioned when the Clean Air Act was originally enacted in 1970.

The Challenge Ahead

In the MAG region, the Phoenix Municipal Statistical Area (MSA) population has grown from 3,275,362 in 2000 to 4,864,924 in 2020 according to the Census Bureau. Yet despite the significant population increase, ozone design values (which determine how compliance is measured under the Clean Air Act) *decreased* by 13 parts per billion during that same time period. Moreover, local ozone precursor emissions (i.e., oxides of nitrogen and volatile organic compounds) *decreased* by over 50 percent from 2011 through 2020, as documented by the Maricopa County Periodic Emissions Inventory and the EPA's National Emission Inventory.

These trends represent real progress. However, despite our successes in controlling local sources and achieving significant reductions local ozone formation over the past two decades, the ozone design value for the Phoenix-Mesa area has *increased* by approximately two parts per billion

since 2020, putting our area in jeopardy of being “bumped up” from a Moderate area to a Serious area.

A large part of this increase may be attributed to emissions emanating from outside of the borders of our area and from sources that cannot reasonably be locally controlled. MAG’s photochemical modeling indicates that *over 80 percent of our ozone originates from outside the Phoenix-Mesa nonattainment area* and from natural local sources. MAG has worked diligently with the EPA and our state, county, and local business partners over the past two decades to implement 93 ozone control measures, including robust regional multimodal transportation investments and expanded transit. Yet pursuant to current interpretations of the Clean Air Act, MAG and the Phoenix-Mesa area could be subject to stricter requirements based on transported air pollution that it cannot limit or control. This pollution originates in other states and countries, including Mexico (and in some cases, long range transport from China and other Asian countries).

The reality is that essentially all reasonable emission reduction measures have already been implemented in our region. Our ozone reduction control measures included clean burning fuels, enhanced vehicle emission programs, trip reduction programs, additional emission controls on major emission sources, traffic control measures, and over 80 other measures impacting the region’s businesses. As a result, we believe that a case could be made that any remaining ozone control measures are not *reasonably available* but instead represent potentially unreasonable technologies and strategies that will be compromised by transported and natural emissions.

Options for Additional Controls

As with most areas, mobile and nonroad sources *account for most of our local emissions*. However, MAG has a very limited ability to address such emissions. As you are aware, only the EPA and California (upon receiving a waiver from EPA) can legally set emission standards for mobile sources of air pollution.

In this regard, the EPA has previously suggested that zero emission vehicles are the timely solution to local ozone emission control challenge; however, MAG modeling indicates that if we removed every vehicle from the Phoenix-Mesa metropolitan area, it would reduce ozone concentrations by approximately 7 parts per million and we would still not likely attain the standard under the current design value. Additionally, if we shut down every industrial source (i.e., both point and area sources), we would reduce ozone concentrations by approximately 1.5 parts per billion. Collectively, stationary industrial sources account for less than *two percent* of ozone concentrations in our area.

This is not to suggest that we have remained idle. As part of our breadth of local planning responsibilities, we continue to work to prepare for increasing electric vehicle (EV) use through

development of a comprehensive MAG Electrification Readiness Strategic Plan. Localities in the region are actively expanding public transit and multi-modal transit options, and we continue to aggressively search for other solutions to reduce local air pollution. Unfortunately, even with the recent EPA actions to lower vehicle emissions from fossil fuel vehicles and to approve grants to accelerate EV penetration into local areas, these actions will not significantly impact ozone concentrations until at least 2032. This is well past the date for attainment of the ozone NAAQS by Serious Nonattainment Areas, potentially raising additional consequences for our area.

We remain committed to do our part in achieving improved air quality for our residents. Still, it is important to emphasize that implementing control measures to offset background ozone and ozone transported from outside our state and county significantly complicates the discussion of “locally effective emission controls” with local businesses and governments. They question why more onerous controls are needed when they are, in large part, not responsible for the emissions that cause local air quality issues. In addition, such control measures have a direct impact on our regional economy by increasing the cost of goods and services, and we have seen how these costs are passed onto customers, increasing inflationary pressures above the national rate.

Potential Consequences

An inability to resolve issues concerning implementation of the ozone NAAQS could have many serious repercussions. On our current trajectory, our region could be subject to emission offsets that impose a ratio of 1.3 to 1 (meaning that any new construction must obtain 30% more emission reductions than it will itself generate). If the level at which this requirement is applied is reduced to include smaller sources of emissions, we are concerned about additional significant impacts to our region’s economy.

These conditions are further exacerbated by EPA’s delay in approving or addressing the Maricopa County Air Quality Department’s rules on nontraditional emission offsets, which has been under EPA review since 2019. This delay is deeply troubling as our region is home to two major microchip manufacturers, Intel and Taiwan Semiconductor Manufacturing Company. If additional expansion is needed, the inability to acquire offsets poses both an economic risk to our area and a national security risk to our country.

Finally, if we are not able to resolve issues and develop acceptable State Implementation Plans, our area could become subject to Clean Air Act sanctions which could result in a “freeze” in federal highway funding, an increase in required emission offsets that would impose a 2:1 emission offset ratio, or both. These provisions could be imposed for months at a time or even years while we attempt to work out new plans that are subject to EPA approval.

Conclusion

We believe there are solutions to all the issues raised above; however, it will require innovative collaboration at the local, state, and federal level and a recognition by EPA that most areas in the Intermountain West are experiencing legitimate local ozone control challenges not of their own making. To make meaningful strides in lowering ozone concentrations, a combined and sustained effort is required. Such an effort must be focused on effective solutions that may reasonably and effectively be implemented.

MAG respectfully requests a meeting with you to discuss this issue further. We look forward to the opportunity to collaborate to address the local and regional ozone challenge. Thank you for your consideration.

Sincerely,



Kate Gallego
MAG Regional Council, Incoming Chair
Mayor of Phoenix



Ed Zuercher
MAG Executive Director

cc: Senator Kyrsten Sinema
Senator Mark Kelly
Honorable members of the Arizona Congressional delegation
Martha Guzman, EPA Region IX Administrator
Hon. Clint Hickman, Chair, Maricopa County Board of Supervisors
Karen Peters, Arizona Department of Environmental Quality Director
Phil McNeely, Maricopa County Air Quality Department

The Infrastructure, Investment,, and Jobs Act: *Federal Funding Available for Transportation Infrastructure, Electric Vehicles, & Supply Chain Investments in Arizona* June 2023

Background and Summary

The federal Infrastructure, Investment and Jobs Act (IIJA), signed into law in November 2021, makes significant investments in clean energy and transportation to create jobs, save consumers money, and improve the health of Americans. In particular, **the Arizona PIRG Education Fund and Plug In America urge relevant state and local entities to seek available federal funding to help drive transportation electrification infrastructure, electric vehicle (EV) adoption, and related supply chain investments in our state.**

Below are transportation and EV grants and opportunities that are expected to be available in the near-term as part of the IIJA. The grants and opportunities are relevant for entities in Arizona including tribal, state, and local governments; schools and institutions of higher education; utilities; manufacturing and industry; technology developers; NGOs and community-based organizations; and others.

Many of the programs are targeted at EVs and the EV supply chain but some offer more flexible use cases. To ensure Arizonans can best reap the benefits, our organizations encourage the prioritization of transportation electrification strategies for any flexible funding opportunities.

Benefits of transportation electrification and EVs include:

- **Affordability:** On average, the cost of fueling a car with electricity is 60% less than gasoline, roughly the same as paying \$1.16/gallon, due to lower operating and maintenance costs. Electricity rates are also more stable than gasoline prices, allowing EV drivers to avoid the risk of volatile gasoline price spikes.
- **Air quality:** According to the American Lung Association, 84% of Arizona residents are living in a community with poor air quality. Transportation is a significant contributor to Arizona's air pollution and its related adverse public health impacts. EVs powered by the grid currently produce 54 percent less (lifetime) carbon pollution than gasoline cars, which could grow to 71 percent by 2050 as our power supply gets cleaner.
- **Performance:** Plug-in vehicles offer a quiet, smooth, and powerful ride.

Funding Opportunities

The document provides information on funding opportunities that are or are expected to be available in FY2023. Guidance is expected for each program listed below in the near future.

[Click each program name for more information]

Name	Description	Next Milestone
Grants for Charging & Fueling Infrastructure (Community Charging)	Community grants to install EV charging and alternative fuel in locations on public roads, schools, parks, and in publicly accessible parking facilities. Grants prioritized for rural areas, low/moderate-income neighborhoods, & communities with low ratios of private parking, or high ratios of multi-unit dwellings.	Application deadline for FY22 funding round due June 13, 2023.
Grants for Charging & Fueling Infrastructure (Corridor Charging)	Grants to deploy EV charging and hydrogen/propane/gas fueling infrastructure along designated alternative fuel corridors and in communities.	Application deadline for FY22 funding round due June 13, 2023.
Battery Collection by Retailers	Competitive grants to establish and implement a system for the acceptance and collection of covered batteries and covered battery-containing products, as applicable, for reuse, recycling, or proper disposal.	Estimated application opening date, 2nd quarter 2023.
Battery and Critical Mineral Recycling Program	Grants for research, development, and demonstration projects to create innovative and practical approaches to increase the reuse and recycling of batteries.	Estimated application opening date, 2nd quarter 2023.
State Battery Collection, Recycling & Reprocessing	Grants for research and demonstration projects to create innovative and practical approaches to increase the reuse and recycling of batteries.	Estimated application opening date, 2nd quarter 2023.
Clean School Bus Program	Funds to support the purchase of zero-emission school buses.	Notice of Funding Opportunity (NOFO) opened on April 24, 2023. NOFO closes and application deadline on August 22, 2023.

Critical Material Innovation, Efficiency, and Alternatives	Funding for research and development, demonstration, and commercialization to develop alternatives to critical materials, to promote their efficient production and use and ensure a long-term supply.	Estimated application opening date end of year, 2023.
Low or No Emission Vehicle Program (Buses and Bus Facilities)	Formula and competitive grants for acquiring low- or no-emission buses, constructing, leasing, or rehabilitating facilities for low- or no-emission buses and workforce development training.	Awaiting awardee announcements for FY2023 winners.
National Electric Vehicle Infrastructure (NEVI) Formula Program	Formula funding for states to deploy EV charging infrastructure along designated corridors.	Awaiting Year 2 plan guidance. States opening RFPs for FY2022 funds.

Top Opportunities Expected Later in 2023

Name	Description	Next Milestone
State Energy Program	Formula funding to support planning for electric transmission and distribution, planning and programs that help reduce carbon emissions and accelerate the use of alternative transportation fuels and vehicle electrification.	States were required to submit an application to access funding. States now awaiting funding awards.
Congestion Mitigation and Air Quality (CMAQ) Program	Funding to support surface transportation projects and other related efforts that contribute to air quality improvements and provide congestion relief including alternative fuel projects and vehicle refueling infrastructure, micro-mobility systems, medium- and heavy-duty zero-emission vehicles, and related charging equipment.	FY2024 CMAQ funds to be released to states in fall 2023.
Surface Transportation Block Grants	Grants to provide flexible transportation funding to promote and address state and local transportation needs, including EV Infrastructure projects.	FY2024 funds to be released to states in fall 2023.
Carbon	Formula grants to States to reduce transportation	States are

Reduction Program	emissions or the development of carbon reduction strategies.	required to submit Carbon Reduction Strategy by November 15, 2023.
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Details by Funding Opportunity

Grants for Charging & Fueling Infrastructure (Community Charging)	
Next Milestone:	
Application deadline for FY22 funding round due June 13, 2023.	
Federal \$ Available:	AZ \$ Available:
\$1,250,000,000	N/A
How to Apply: Competitive funding program, apply via Grants.gov	
Eligible Entities: State or political subdivision of a State, metropolitan planning organization, local government, special purpose district or public authority with a transportation function, Indian Tribe, Territory.	
<p>Description: Community grants to install EV charging and alternative fuels infrastructure in locations on public roads, schools, parks, and in publicly accessible parking facilities. Grants are prioritized for rural areas, low/moderate-income neighborhoods, & communities with low ratios of private parking, or high ratios of multi-unit dwellings.</p> <p>Links:</p> <ul style="list-style-type: none"> • https://azdot.gov/planning/infrastructure-investment-and-jobs-act • https://www.fhwa.dot.gov/environment/alternative_fuel_corridors/nominations/90d_nevi_formula_program_guidance.pdf <p>Managing Federal Agency: Department of Transportation, Federal Highway Administration</p>	

Grants for Charging & Fueling Infrastructure (Corridor Charging)	
Next Milestone:	
Application deadline for FY22 funding round due June 13, 2023.	
Federal \$ Available:	AZ \$ Available:
\$1,250,000,000	N/A
How to Apply: Competitive funding program, apply via Grants.gov	
Eligible Entities: State or political subdivision of a State, metropolitan planning organization, local government, special purpose district or public authority with a transportation function, Indian Tribe, Territory.	
Description: Grants to deploy EV charging and hydrogen/propane/gas fueling infrastructure along designated alternative fuel corridors and in communities.	
Links:	
<ul style="list-style-type: none"> • https://www.fhwa.dot.gov/environment/alternative_fuel_corridors/nominations/2022_request_for_nominations_r6.pdf • https://azdot.gov/planning/infrastructure-investment-and-jobs-act 	
Managing Federal Agency: Department of Transportation, Federal Highway Administration	

Battery Collection by Retailers	
Next Milestone:	
Estimated application opening date, 2nd quarter 2023. Currently awaiting opening.	
Federal \$ Available:	AZ \$ Available:
\$15,000,000	N/A
Contact:	
<ul style="list-style-type: none"> - Brian Cunningham, Vehicle Technologies Office, brian.cunningham@ee.doe.gov - Additional contact: BL-Batterymanufacturing@hq.doe.gov 	
Eligible Entities: Retailers that sell covered batteries or covered battery-containing products.	
Description:	
Competitive grants to establish and implement a system for the acceptance and collection of covered batteries and covered battery-containing products, as applicable, for reuse, recycling, or proper disposal.	
Links:	
<ul style="list-style-type: none"> • https://www.energy.gov/bil/battery-and-critical-mineral-recycling • https://eere-exchange.energy.gov/Default.aspx#Foald1b505245-04d8-4b2a-bfab-46c5c8ad2de9 	
Managing Federal Agency: Department of Energy	

Battery and Critical Mineral Recycling Program

Next Milestone:

Estimated application opening date, 2nd quarter 2023.

Federal \$ Available:

\$125,000,000

Contact:

- Brian Cunningham, Vehicle Technologies Office, brian.cunningham@ee.doe.gov
- Additional contact: BIIL-Batterymanufacturing@hq.doe.gov

Eligible Entities: Institutions of higher education, national laboratories, federal and state research agencies, nonprofits, industrial entities, manufacturing entities, private battery-collection entities, entities operating battery recycling activities, state or municipal government entities, battery producers and retailers, or a consortium of 2 or more entities (as described in the bill).

Description:

Grants for research, development, and demonstration projects to create innovative and practical approaches to increase the reuse and recycling of batteries.

Links:

- <https://www.energy.gov/bil/battery-and-critical-mineral-recycling>
- <https://eere-exchange.energy.gov/Default.aspx#Foald1b505245-04d8-4b2a-bfab-46c5c8ad2de9>

Managing Federal Agency: Department of Energy Office of Manufacturing and Energy Supply Chains

State Battery Collection, Recycling & Reprocessing	
Next Milestone:	
Estimated application opening date, 2nd quarter 2023.	
Federal \$ Available:	AZ \$ Available:
\$50,000,000	N/A
Contact: - Brian Cunningham, Vehicle Technologies Office, brian.cunningham@ee.doe.gov - Additional contact: Bill-Batterymanufacturing@hq.doe.gov	
Eligible Entities: Institutions of higher education, national laboratories, federal and state research agencies, nonprofits, industrial entities, manufacturing entities, private battery-collection entities, entities operating battery recycling activities, state or municipal government entities, battery producers and retailers, or a consortium of 2 or more entities (as described in the bill).	
Description: Grants for research and demonstration projects to create innovative and practical approaches to increase the reuse and recycling of batteries.	
Links: <ul style="list-style-type: none"> • https://www.energy.gov/bil/battery-and-critical-mineral-recycling • https://eere-exchange.energy.gov/Default.aspx#Foald1b505245-04d8-4b2a-bfab-46c5c8ad2de9 	
Managing Federal Agency: Department of Energy	

Clean School Bus Program

Next Milestone:

Notice of Funding Opportunity (NOFO) opened on April 24, 2023. NOFO closes and application deadline on August 22, 2023.

Federal \$ Available for 2023:

\$400,000,000

How to Apply: [FY23 CSB Grants NOFO](#) includes information on how to prepare and submit an application package.

Contact: cleanschoolbus@epa.gov

Eligible Entities: Local or state governmental entities; eligible contractors; nonprofit school transportation associations; Indian tribes.

Description:

Competitive funding to replace existing school buses with zero-emission and low-emission models.

Links:

- <https://www.epa.gov/cleanschoolbus>

Managing Federal Agency: Environmental Protection Agency

Critical Material Innovation, Efficiency, and Alternatives

Next Milestone:

Estimated application opening date end of year, 2023.

Federal \$ Available:

\$600,000,000

Contact:

- CriticalMaterialsProgramRFI@ee.doe.gov

Eligible Entities: General public, private sector.

Description:

Funding for research and development, demonstration, and commercialization to develop alternatives to critical materials, to promote their efficient production and use and ensure a long-term supply.

Links:

- <https://eere-exchange.energy.gov/Default.aspx#Foaldd694b93b-17f8-467f-ba88-86a24f04bde5>
- <https://www.energy.gov/bil/critical-material-innovation-efficiency-and-alternatives>

Managing Federal Agency: Department of Energy

Low or No Emission Vehicle Program (Buses and Bus Facilities)

Next Milestone:

Awaiting awardee announcements for FY2023 winners. (Applications were due April 13, 2023.)

Federal \$ Available:

\$5,624,551,000

Contact:

- ftalownobusnofo@dot.gov

Eligible Entities: States, counties, cities/townships, special districts, Tribal governments.

Description:

Formula and competitive grants for acquiring low- or no-emission buses, constructing, leasing, or rehabilitating facilities for low- or no-emission buses and workforce development training.

Links:

- <https://www.transit.dot.gov/notices-funding/low-or-no-emission-and-grants-buses-and-bus-facilities-competitive-programs-fy2023>
- <https://www.transit.dot.gov/lowno>

Managing Federal Agency: Department of Transportation; Federal Transit Administration

National Electric Vehicle Infrastructure (NEVI) Formula Program	
Next Milestone:	
Awaiting Year 2 plan guidance for FY2023 funds. States beginning contracting for FY2022 funds.	
Federal \$ Available Estimate (FY2023):	AZ \$ Available Estimate (FY2023):
\$885,000,000	\$16,290,704
Contact: - https://driveelectric.gov/contact/	
Eligible Entities: States.	
Description: Formula funding for states to deploy EV charging infrastructure along designated corridors.	
Links: <ul style="list-style-type: none"> • https://www.fhwa.dot.gov/bipartisan-infrastructure-law/nevi_formula_program.cfm • https://www.fhwa.dot.gov/environment/nevi/ 	
Managing Federal Agency: Department of Transportation; Federal Highway Association	

State Energy Program	
Next Milestone:	
States were required to submit an application to access funding. States now awaiting funding awards.	
Federal \$ Available:	AZ \$ Available (PY23):
\$425,152,000	\$952.950
How to Apply: Formula award program; states required to submit an application to receive allocation award funding.	
Contact: Henry Fowler, henry.fowler@hq.doe.gov	
Eligible Entities: States.	
<p>Description: Formula funding to support planning for electric transmission and distribution, planning and programs that help reduce carbon emissions and accelerate the use of alternative transportation fuels and vehicle electrification.</p> <p>Links:</p> <ul style="list-style-type: none"> • https://www.energy.gov/sites/default/files/2023-03/SEP%202023%20Administrative%20and%20Legal%20Requirements%20Document%20%28ALRD%29.pdf • https://www.energy.gov/sites/default/files/2022-04/sep-program-notice-22-02.pdf • https://www.energy.gov/sites/default/files/2023-03/SEP%20Program%20Notice%2023-01%20Program%20Year%202023%20State%20Energy%20Program%20Formula%20Grant%20Application%20Instructions.pdf <p>Managing Federal Agency: Department of Energy</p>	

Congestion Mitigation & Air Quality	
Next Milestone:	
FY2024 CMAQ funds to be released to states in fall 2023.	
Federal \$ Available:	AZ \$ Available (FY2023):
\$13,200,000,000	\$57,655,536
How to Apply: Formula grant program.	
Eligible Entities: States.	
<p>Description: Funding to support surface transportation projects and other related efforts that contribute to air quality improvements and provide congestion relief including alternative fuel projects and vehicle refueling infrastructure, micro-mobility systems, medium- and heavy-duty zero emission vehicles and related charging equipment.</p> <p>Links:</p> <ul style="list-style-type: none"> • https://www.fhwa.dot.gov/bipartisan-infrastructure-law/cmaq.cfm • https://www.fhwa.dot.gov/legsregs/directives/notices/n4510870/n4510870_t1.cfm <p>Managing Federal Agency: Department of Transportation, Federal Highway Administration</p>	

Surface Transportation Block Grant	
Next Milestone:	
FY2024 funds to be released to states in fall 2023.	
Federal \$ Available:	AZ \$ Available (FY2023):
\$72,000,000,000	\$257,899,704
How to Apply: Formula grant program.	
Eligible Entities: States.	
<p>Description: Flexible transportation funding to promote and address state and local transportation needs, including EV Infrastructure projects.</p> <p>Links:</p> <ul style="list-style-type: none"> • https://azdot.gov/planning/infrastructure-investment-and-jobs-act • https://www.fhwa.dot.gov/leqsregs/directives/notices/n4510870/n4510870_t1.cfm • https://www.fhwa.dot.gov/specialfunding/stp/ <p>Managing Federal Agency: Department of Transportation, Federal Highway Administration</p>	

Carbon Reduction Program	
Next Milestone:	
States required to submit Carbon Reduction Strategy by November 15, 2023.	
Federal \$ Available:	AZ \$ Available (FY2023):
\$6,420,000,000	\$22,996,057
How to Apply: Formula grant program; funding allocated by formula to states. States must submit Carbon Reduction Strategy to receive allocated funding.	
Eligible Entities: States (in alignment with statewide transportation plans, Metropolitan Planning Organizations, state DOT, and local government transportation departments).	
Description: Formula grants to States to reduce transportation emissions or the development of carbon reduction strategies.	
Links:	
<ul style="list-style-type: none"> • https://www.fhwa.dot.gov/environment/sustainability/energy/policy/crp_guidance.pdf • https://www.fhwa.dot.gov/legsregs/directives/notices/n4510870/n4510870_t1.cfm 	
Managing Federal Agency: Department of Transportation, Federal Highway Administration	

MEMORANDUM



TO: Mayor and Council
FROM: Mark Day, Municipal Budget Director
DATE: June 30, 2023
SUBJECT: Fiscal Year (FY) 2023-2024 Budget in Brief

This week the Municipal Budget Office has published the annual Budget in Brief report as a way for members of the community to review essential elements of the city's budget. The FY 2023-24 Budget in Brief report is posted on the Municipal Budget Office's web page, tempe.gov/budget. Also, attached is a copy of the document.

The report is a reader-friendly version of the City's annual budget document that is a useful source of information for our residents. The Budget in Brief provides information on the overall city budget, where the city's money comes from and how it gets spent.

Making the budget document easier to understand is one of the recommended best practices from the Government Finance Officers Association (GFOA). The Budget in Brief report also contributes to the achievement of performance measure 2.11 - Receive the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting annually for transparency and disclosure of information.

The annual budget document that provides budget information in much greater detail will continue to be published.

Please let me know if you have any questions.

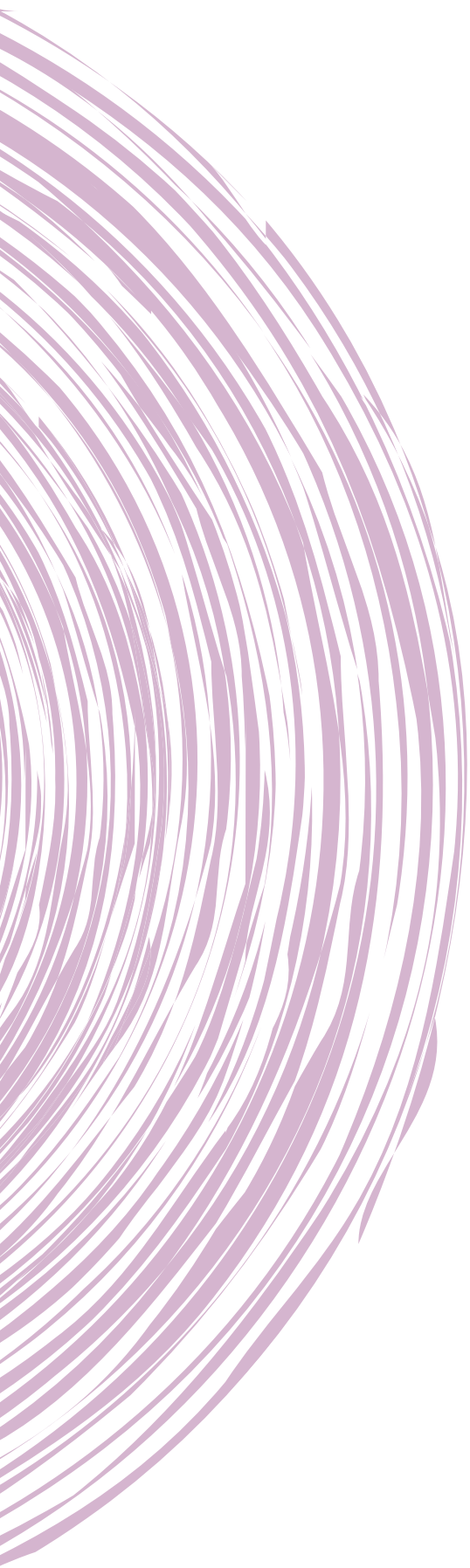


Tempe

Budget in Brief

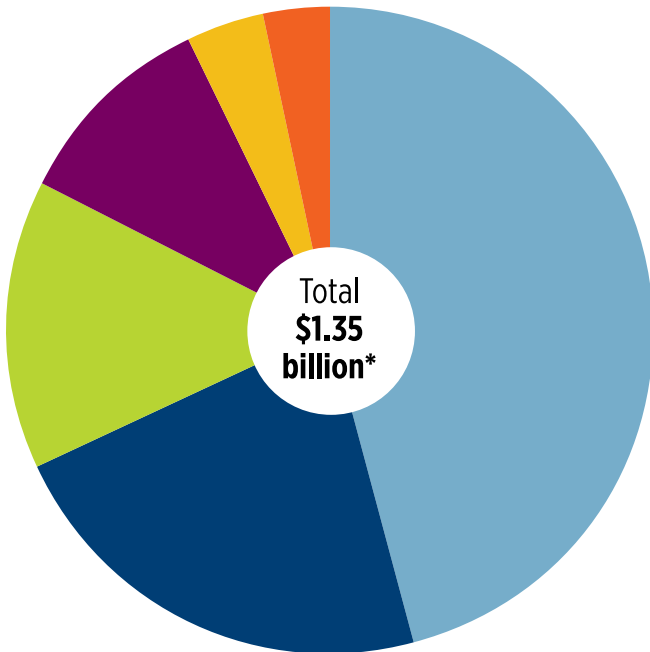
Fiscal Year (FY) 2023-2024

July 1, 2023 - June 30, 2024



City Budget

BUDGET BY FUND TYPE



Capital Projects \$621.5 million

Accounts for the capital program to maintain and/or improve the city's infrastructure.

General \$299.8 million

Represents the general operating fund of the city. Funds are used to support city services such as library, Tempe PRE, park maintenance, recreation programs, police, fire, planning and more.

Special Revenue \$191.6 million

These funds are restricted for specific purposes. These include Transit (light rail, buses), Arts & Culture (History Museum, Tempe Center for the Arts), Highway User Revenue Fund (HURF) (street maintenance), Community Development Block Grant (CDBG)/Section 8 (housing assistance) and grants.

Enterprise \$141.7 million

Used to account for operations that are paid for by the users of the service. This would include Water/Wastewater, Solid Waste, and Emergency Medical Transportation.

Internal Service \$51.3 million

Accounts for revenue and expenses related to the city's health plans, risk management services and workers compensation.

Debt Service \$42.7 million

A fund to receive secondary property tax revenue that is used to make principal and interest payments on voter-approved bonds.

*excludes interfund transfers

WHERE DOES MY PROPERTY TAX PAYMENT GO?



Schools
49%

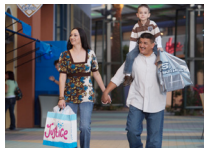
City
22%

County &
Special
Districts
18%

Community
Colleges
11%

GENERAL FUND | where the money comes from

M = Millions



Local Taxes

\$158.9M

Revenue from the city's sales tax of 1.8%, hotel/motel bed tax of 5% and franchise fees for the use of the city's right-of-way.



Primary Property Taxes

\$21.8M

The portion of the city's property tax that funds the general operations of the city.



Fines & Forfeits

\$3.4M

Court fines, parking tickets and other fines.



Licenses & Permits

\$2.6M

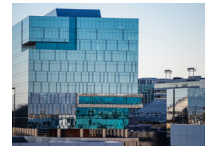
Revenue from licenses and permits such as city sales tax license, building permits and right-of-way permits.



Intergovernmental

\$88.2M

Revenue shared by the state via statutory formula and includes state sales and income tax, and vehicle license tax.



Miscellaneous

\$20.6M

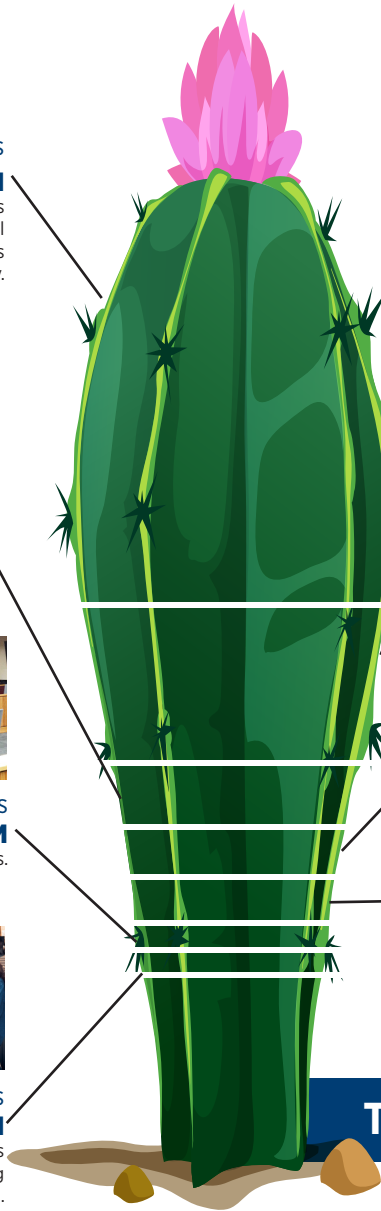
Leases, facility rentals and other various revenues.



Charges for Services

\$17.8M

Fees collected for registration and admissions for the city's various recreational programs.

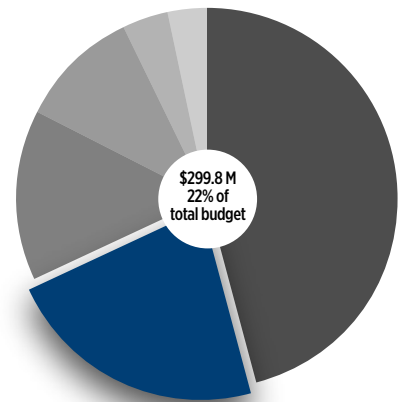
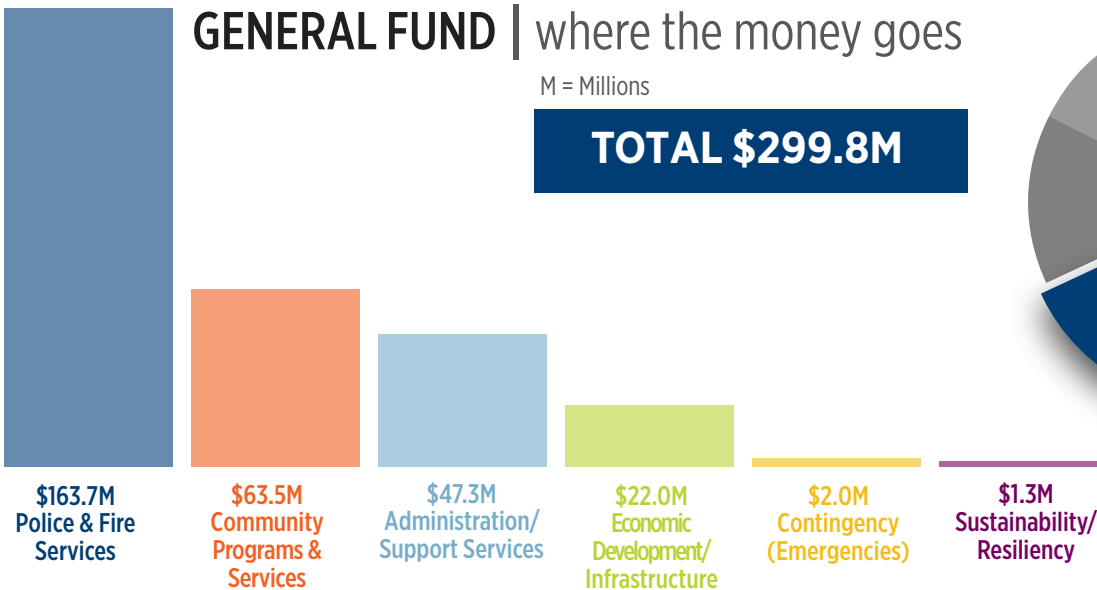


TOTAL \$313.3M

GENERAL FUND | where the money goes

M = Millions

TOTAL \$299.8M



ENTERPRISE FUNDS

The City of Tempe provides clean water, solid waste services, treats wastewater, and offers ambulance transport. Residents pay for these services through their monthly water/solid waste bill or through payment of fees.

M = Millions



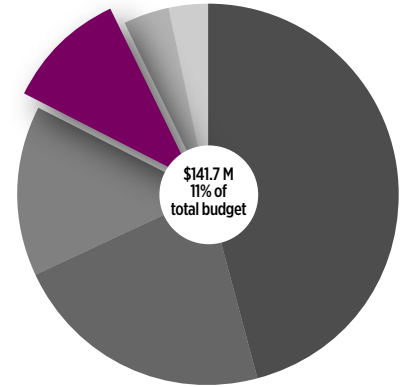
\$103.5M
Water/Wastewater



\$31.3M
Solid Waste




\$6.9M
Emergency Medical Transport



SPECIAL REVENUE FUNDS

The City of Tempe provides bus, light rail, streetcar and other public transit services, maintains streets and sidewalks, provides housing assistance and affordable housing opportunities, delivers arts & cultural programming, and offers services from grants and donations. The revenue used to provide these services is restricted in its use by the voters or legal requirements.

M = Millions



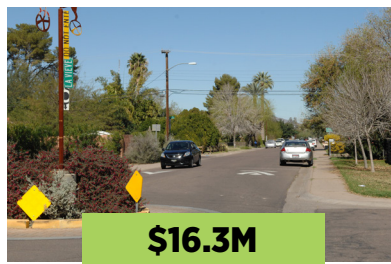
\$72.5M
Transit



\$52M
CDBG/Section 8



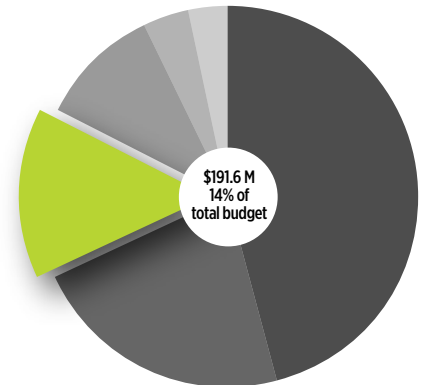
\$38.5M
Grants/Donations/
Restricted Revenue



\$16.3M
HURF



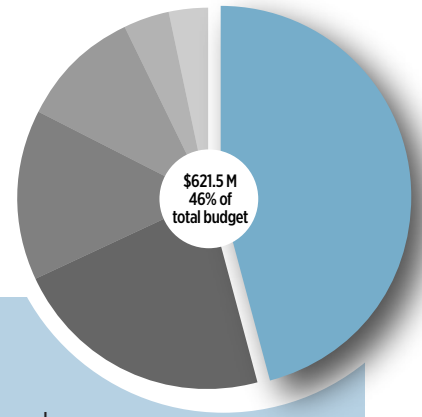
\$12.3M
Arts & Culture



CAPITAL PROJECTS | Tempe continues to improve

Tempe has a five-year capital plan that enables long-range, proactive planning for maintenance, improvements and expansions to the city's infrastructure. For FY 2023-24, Tempe will invest \$621.5 M for improvements to the City's Infrastructure.

M = Millions



Enterprise \$198.8M

Major Projects:

- Water Treatment Plant Maintenance & Upgrades
- Water Transmission & Distribution System (waterline replacement)
- Wastewater Collection System Upgrades & Improvements

General Purpose \$296.4M

Major Projects:

- Fire Medical Rescue Station #2
- Implementation of Diablo Stadium Master Plan
- Park Playground Equipment/Improvements
- Public Safety Communications Equipment Replacement



Special Purpose \$52.7M

Major Projects:

- Alameda Drive Bicycle/Pedestrian/Streetscape
- Multi-Use Path Maintenance
- Bus Stop Maintenance/Improvements

Transportation \$73.6M

Major Projects:

- ADA Improvements: Right-of-Way
- Roadway Mill & Overlay (street repaving/sealing)
- Signal Equipment Upgrades
- Future Fiber Network Expansion



Refresh Tempe program

To learn more about how the city is making investments in water infrastructure, facilities, parks, streets, downtown improvements, and more to improve the quality of life for all community members, visit tempe.gov/RefreshTempe

EMPLOYEES | Number of city employees

Permanent Positions

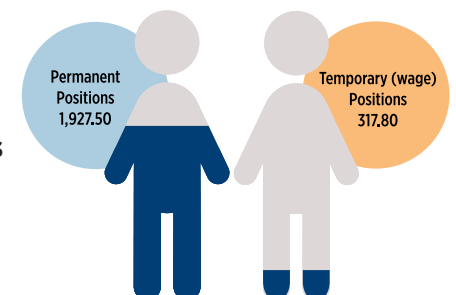
1,927.50 Full-Time/Part-Time FTE

Temporary (wage) Positions

317.80

Total number of employees: 2,245.30

FTE (Full-Time Equivalent)



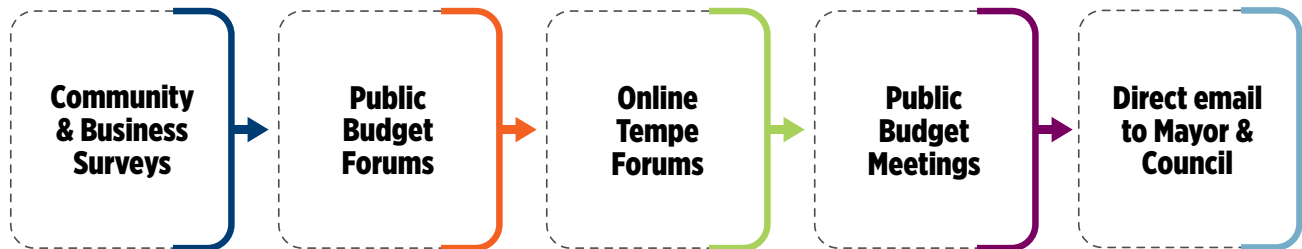
BUDGET PROCESS & COMMUNITY PARTICIPATION

How to Become Involved in the Budget Process

The City of Tempe values public input and participation in the budget process. To set priorities and craft the best possible budget, community input is critical. Learn more at tempe.gov/budget.



The City provides a variety of opportunities for residents to participate in the budget process.



COUNCIL PRIORITIES

The Tempe City Council has set five priorities for the community. We have developed over 100 performance measures to ensure that our city's actions and allocated resources reflect these priorities.



Safe & Secure Communities



Strong Community Connections



Quality of Life



Sustainable Growth & Development



Financial Stability & Vitality

WE ARE LISTENING

City Council provided direction to accelerate the achievement of 15 performance measures (PM) during the development of the FY 2023-24 budget to address the top priorities in the community. Acceleration strategies may include collaboration, shifting of resources, and providing additional budget funding. To learn more about the acceleration models, click on the performance measure title:

- Ending Homelessness (3.28)
- Pavement Quality Index (1.22)
- Feeling of Safety in Parks (1.23)
- Housing Inventory Ratio (4.09)
- Police Services Satisfaction (1.07)
- Quality of City Services (3.36)
- Tree and Shade Canopy (4.11)
- Quality Pre-K Enrollment (3.06)
- Disability Social Inclusion (3.13)
- Feeling of Safety in Your Neighborhood (1.05)
- City Website Satisfaction (2.04)
- High School Graduation Rate (3.08)
- Employee Turnover (5.07)
- Kid Zone Participation (1.18)
- Transportation System Satisfaction (3.29)

Explore the Performance Measure dashboard at www.performance.tempe.gov to see how our city is progressing on all of its performance measures.



Tempe City Council

Corey D. Woods, **Mayor**

Jennifer Adams, **Vice Mayor**

Arlene Chin, **Councilmember**

Doreen Garlid, **Councilmember**

Berdetta Hodge, **Councilmember**

Randy Keating, **Councilmember**

Joel Navarro, **Councilmember**

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More City of Tempe budget details can be found at

tempe.gov/budget

Visit tempe.gov for city government news, alerts and service details.



City Hall, 31 E. Fifth Street
Tempe, AZ 85281
P: (480)350-4311

MEMORANDUM



TO: Mayor and Council
FROM: Lauri Oszakiewski, Municipal Budget & Finance Analyst
THROUGH: Mark Day, Municipal Budget Director
DATE: June 30, 2023
SUBJECT: Tax Revenue Statistical Report – May 2023

Introduction

The Municipal Budget Office (MBO) reviews the City’s privilege (sales) tax collections for the General Fund (1.2%), Transit Fund (0.5%) and Arts & Cultural Fund (0.1%) and the General Fund bed tax (5.0%) in order to monitor the financial performance of the City’s largest revenue source. This monthly analysis also provides the opportunity to determine if adjustments need to be made for any significant variances to ensure continuity of programs and service delivery. The May 2023 report summarizes our analysis of the April sales activity reported to the Arizona Department of Revenue (ADOR).

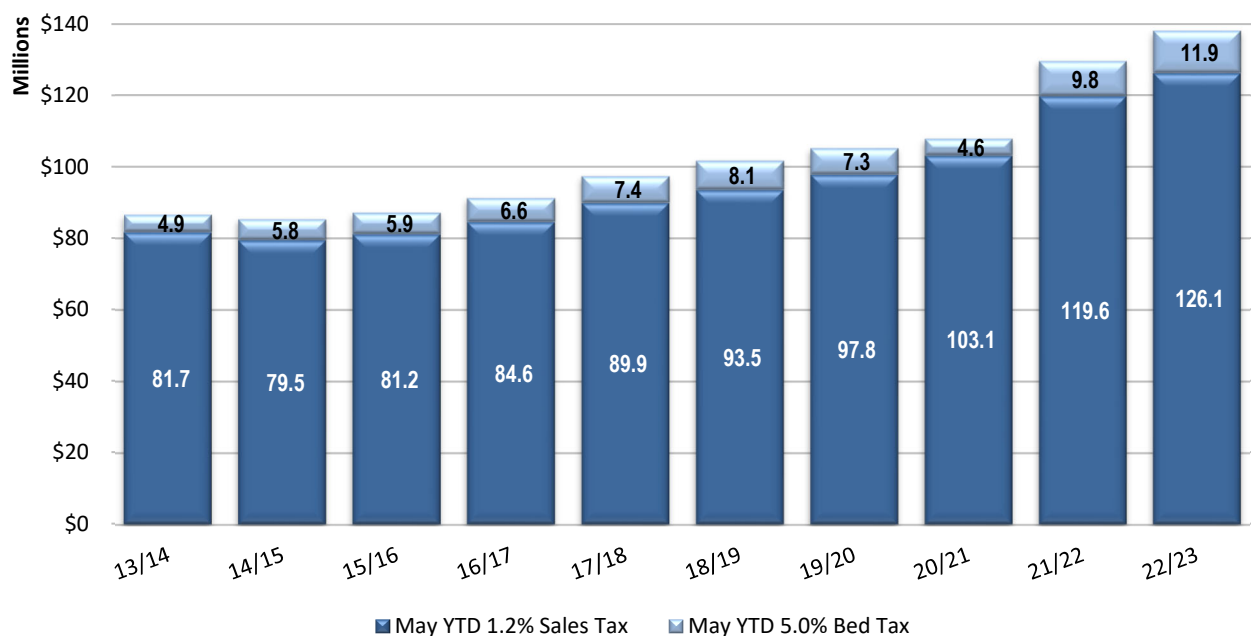
Overall Highlights

Total fiscal year to date taxable *sales* increased by 4.0% over the same year to date period in the prior fiscal year. Total sales tax *revenue* is up 4.6% or \$8.8 million, due to growth in rentals (\$5.1 million), combined hotel/motel and bed tax (\$2.9 million), and non-recurring business activities (\$2.8 million) activity. The attached Executive Summary provides a summary of historical and current fiscal year taxable sales, sales tax collections by fund, tax revenues by business activity, and an analysis of retail tax revenues by activity.

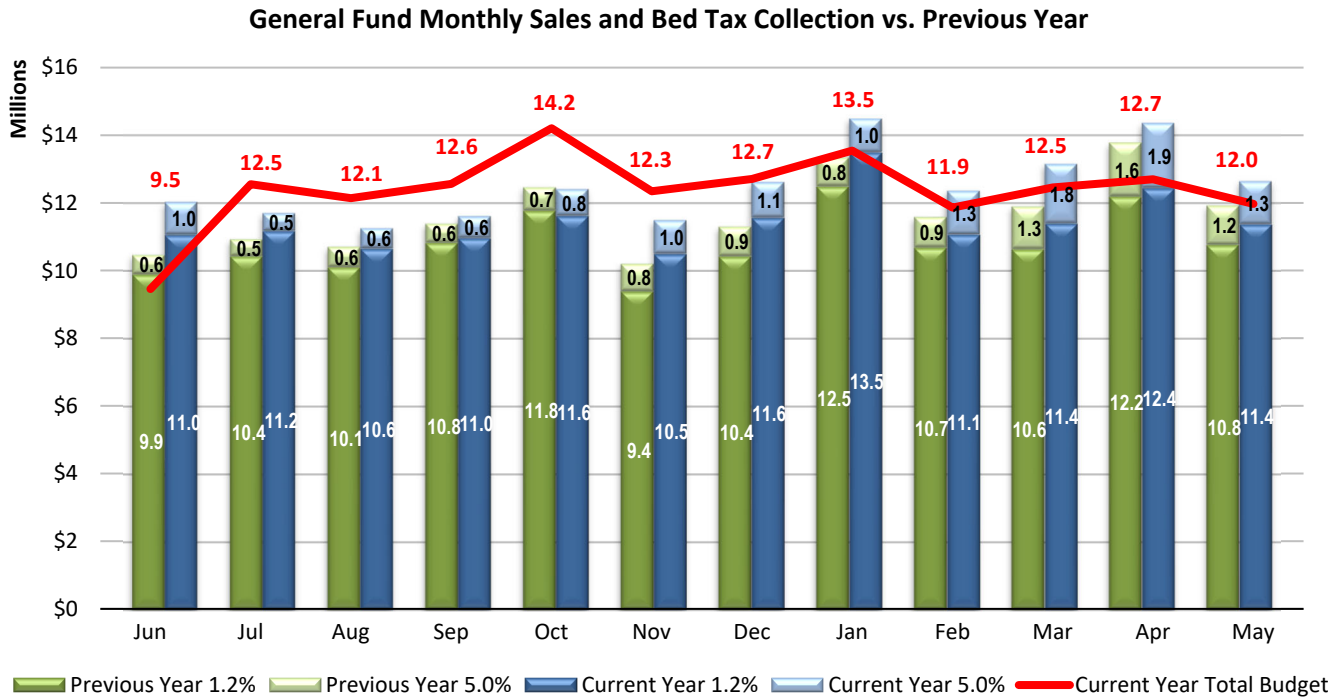
General Fund Highlights

As the General Fund portion of the City’s sales and bed tax revenue collections represents the General Fund’s largest revenue source, further analysis is performed on these specific tax collections. The graph below depicts year to date General Fund historical sales and bed tax revenue from FY 2013/14 through FY 2022/23. General Fund sales and bed tax revenue for FY 2022/23 is up 6.6% or \$8.6 million over the prior year to date period.

General Fund Year to Date Sales and Bed Tax Collections through May



In addition to the 10-year historical comparison, we also review 12 months of General Fund monthly sales and bed tax collections compared to the previous year and to the FY 2022/23 adopted budget for the combined sales and bed tax, as noted in the graph below.



Finally, the MBO prepares the attached Actual to Budget Comparison report that provides a summary of FY 2022/23 General Fund sales tax, bed tax, and a combined total sales and bed tax collections compared to a projected budget amount for the month. Although sales and bed tax are not actually budgeted on a monthly basis, this type of analysis of actual collections compared to projections provides insight into sales and bed tax performance. Using this approach, fiscal year to date General Fund sales tax is \$3.0 million below revenue projections, General Fund bed tax is \$1.9 million above projections, and the combined General Fund sales and bed tax collections for the General Fund are \$1.1 million below the revenue projection.

The Municipal Budget Office is closely monitoring the above noted fiscal year to date variance of sales and bed tax collections compared to the projected amount. At this time, the City is not planning to make any budget adjustments due to the variance in sales and bed tax collections as the City’s overall revenue collections are meeting current projections.

Sales and bed tax collections continue to experience variances from projections based on historical trends as the economy experiences volatility due to a variety of factors, including inflation, supply and labor shortages and movement towards a post COVID pandemic economy. In the future, if sales and bed tax collections experience negative variances from projections and overall revenue collections are not meeting projections, the City will make necessary budget adjustments to ensure continuity of programs and service delivery.

Attachments: Executive Summary
Actual Compared to Budget Projection

Executive Summary

	Current Month - May								Fiscal Year to Date - May							
	2019-20	Change	2020-21	Change	2021-22	Change	2022-23	Change	2019-20	Change	2020-21	Change	2021-22	Change	2022-23	Change
Taxable Sales																
Total Taxable Sales	626,249,000	-14.7%	852,387,000	36.1%	943,067,000	10.6%	972,030,000	3.1%	8,505,786,000	3.7%	8,873,002,000	4.3%	10,411,691,000	17.3%	10,827,129,000	4.0%
Retail Taxable Sales	362,978,000	-8.7%	471,130,000	29.8%	545,960,000	15.9%	516,532,000	-5.4%	4,664,693,000	5.3%	5,191,995,000	11.3%	6,005,837,000	15.7%	5,825,632,000	-3.0%
Tax Revenues by Fund																
General Fund																
Privilege Tax (1.2%)	7,381,000	-11.6%	9,846,000	33.4%	10,761,000	9.3%	11,359,000	5.6%	97,769,000	4.5%	103,084,000	5.4%	119,644,000	16.1%	126,109,000	5.4%
Bed Tax (5.0%)	196,000	-76.8%	631,000	221.9%	1,154,000	82.9%	1,272,000	10.2%	7,313,000	-9.3%	4,625,000	-36.8%	9,764,000	111.1%	11,855,000	21.4%
Privilege Tax Rebates	87,000	-66.0%	231,000	165.5%	279,000	20.8%	-	-100.0%	2,545,000	-14.5%	2,282,000	-10.3%	2,953,000	29.4%	971,000	-67.1%
Total General Fund	7,664,000	-18.9%	10,708,000	39.7%	12,194,000	13.9%	12,631,000	3.6%	107,627,000	2.9%	109,991,000	2.2%	132,361,000	20.3%	138,935,000	5.0%
Transit Fund																
Privilege Tax (0.5%)	3,076,000	-11.7%	4,103,000	33.4%	4,484,000	9.3%	4,733,000	5.6%	40,759,000	4.5%	42,953,000	5.4%	49,853,000	16.1%	52,546,000	5.4%
Privilege Tax Rebates	36,000	-65.4%	96,000	166.7%	116,000	20.8%	-	-100.0%	1,039,000	-14.1%	950,000	-8.6%	1,229,000	29.4%	404,000	-67.1%
Total Transit Fund	3,112,000	-13.2%	4,199,000	34.9%	4,600,000	9.5%	4,733,000	2.9%	41,798,000	4.0%	43,903,000	5.0%	51,082,000	16.4%	52,950,000	3.7%
Arts & Culture Fund																
Privilege Tax (0.1%)	622,000	-13.2%	840,000	35.0%	920,000	9.5%	947,000	2.9%	8,360,000	4.0%	8,781,000	5.0%	10,216,000	16.3%	10,590,000	3.7%
Total Arts & Culture Fund	622,000	-13.2%	840,000	35.0%	920,000	9.5%	947,000	2.9%	8,360,000	4.0%	8,781,000	5.0%	10,216,000	16.3%	10,590,000	3.7%
Totals	11,398,000	-17.1%	15,747,000	38.2%	17,714,000	12.5%	18,311,000	3.4%	157,785,000	-48.4%	162,675,000	3.1%	193,659,000	19.0%	202,475,000	4.6%
Tax Revenues by Business Activities																
Retail	6,534,000	-8.7%	6,571,000	0.6%	9,827,000	49.6%	9,018,000	-8.2%	83,964,000	5.3%	91,309,000	8.7%	108,105,000	18.4%	103,219,000	-4.5%
Rentals	2,360,000	-7.2%	2,698,000	14.3%	2,640,000	-2.1%	3,449,000	30.6%	28,832,000	4.7%	30,207,000	4.8%	33,754,000	11.7%	38,840,000	15.1%
Utilities/Communication	480,000	-9.8%	507,000	5.6%	542,000	6.9%	517,000	-4.6%	7,085,000	-3.3%	6,993,000	-1.3%	7,163,000	2.4%	7,594,000	6.0%
Restaurants	609,000	-51.3%	1,292,000	112.2%	1,490,000	15.3%	1,594,000	7.0%	11,444,000	-7.4%	10,859,000	-5.1%	14,851,000	36.8%	16,204,000	9.1%
Contracting	1,055,000	24.4%	695,000	-34.1%	937,000	34.8%	1,308,000	39.6%	12,320,000	12.1%	10,439,000	-15.3%	10,622,000	1.8%	11,101,000	4.5%
Hotel/Motel	74,000	-76.5%	241,000	225.7%	447,000	85.5%	486,000	8.7%	2,694,000	-11.1%	1,786,000	-33.7%	3,723,000	108.5%	4,693,000	26.1%
Transient (Bed Tax)	196,000	-76.8%	631,000	221.9%	1,154,000	82.9%	1,158,000	0.3%	7,313,000	-9.3%	4,625,000	-36.8%	9,764,000	111.1%	11,741,000	20.2%
Non-Recurring Business Activities	30,000	-41.2%	2,957,000	9756.7%	466,000	-84.2%	528,000	13.3%	2,056,000	47.3%	4,905,000	138.6%	3,120,000	-36.4%	5,908,000	89.4%
Amusements	2,000	-98.3%	84,000	4100.0%	136,000	61.9%	181,000	33.1%	1,217,000	-7.1%	722,000	-40.7%	1,483,000	105.4%	1,974,000	33.1%
All Other	58,000	-34.8%	71,000	22.4%	75,000	5.6%	70,000	-6.7%	859,000	-99.4%	829,000	-3.5%	1,074,000	29.6%	1,202,000	11.9%
Totals	11,398,000	-17.1%	15,747,000	38.2%	17,714,000	12.5%	18,311,000	3.4%	157,785,000	-48.4%	162,675,000	3.1%	193,659,000	19.0%	202,475,000	4.6%
Retail Tax Revenues by Activities																
Automotive	875,000	-21.2%	1,490,000	70.3%	1,508,000	1.2%	1,404,000	-6.9%	12,342,000	0.1%	13,673,000	10.8%	14,949,000	9.3%	14,930,000	-0.1%
Building Supply Stores	355,000	6.3%	437,000	23.1%	514,000	17.6%	436,000	-15.2%	3,379,000	7.2%	3,884,000	14.9%	4,543,000	17.0%	4,580,000	0.8%
Department Stores	758,000	-22.7%	1,139,000	50.3%	1,150,000	1.0%	1,143,000	-0.6%	11,097,000	0.5%	11,953,000	7.7%	12,952,000	8.4%	13,429,000	3.7%
Drug/Small Stores	850,000	-23.1%	1,368,000	60.9%	1,346,000	-1.6%	1,280,000	-4.9%	12,735,000	6.9%	14,664,000	15.1%	15,259,000	4.1%	14,675,000	-3.8%
Furniture/Equipment/Electronics	415,000	-19.4%	590,000	42.2%	638,000	8.1%	533,000	-16.5%	5,897,000	-4.0%	7,118,000	20.7%	7,703,000	8.2%	5,009,000	-35.0%
Grocery Stores	864,000	5.8%	837,000	-3.1%	1,226,000	46.5%	959,000	-21.8%	9,359,000	3.9%	9,567,000	2.2%	10,386,000	8.6%	10,734,000	3.4%
Manufacturing Firms	517,000	-3.5%	317,000	-38.7%	506,000	59.6%	398,000	-21.3%	6,466,000	-10.4%	6,705,000	3.7%	10,057,000	50.0%	4,931,000	-51.0%
All Other Retail	1,900,000	8.0%	393,000	-79.3%	2,939,000	647.8%	2,865,000	-2.5%	22,689,000	19.7%	23,745,000	4.7%	32,256,000	35.8%	34,931,000	8.3%
Totals	6,534,000	-8.7%	6,571,000	0.6%	9,827,000	49.6%	9,018,000	-8.2%	83,964,000	5.3%	91,309,000	8.7%	108,105,000	18.4%	103,219,000	-4.5%

Actual Compared to Budget Projection

Privilege Tax Revenue - General Fund (1.2%) 2022-23 Actual Compared to Budget

Monthly Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.4%	\$ 11,776,000	\$ 11,159,000	\$ (617,000)	-5.2%
Aug	7.9%	11,161,000	10,641,000	(520,000)	-4.7%
Sep	8.0%	11,286,000	10,951,000	(335,000)	-3.0%
Oct	9.1%	12,834,000	11,608,000	(1,226,000)	-9.6%
Nov	8.1%	11,429,000	10,484,000	(945,000)	-8.3%
Dec	8.4%	11,853,000	11,552,000	(301,000)	-2.5%
Jan	9.2%	12,938,000	13,484,000	546,000	4.2%
Feb	8.0%	11,201,000	11,058,000	(143,000)	-1.3%
Mar	8.3%	11,718,000	11,383,000	(335,000)	-2.9%
Apr	8.5%	11,896,000	12,430,000	534,000	4.5%
May	7.9%	11,053,000	11,359,000	306,000	2.8%
Jun	8.1%	11,430,000			
Totals	100.0%	\$ 140,575,000	\$ 126,109,000	\$ (3,036,000)	-2.2%

Cumulative Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.4%	\$ 11,776,000	\$ 11,159,000	\$ (617,000)	-5.2%
Jul-Aug	16.3%	22,937,000	21,800,000	(1,137,000)	-5.0%
Jul-Sep	24.3%	34,223,000	32,751,000	(1,472,000)	-4.3%
Jul-Oct	33.5%	47,057,000	44,359,000	(2,698,000)	-5.7%
Jul-Nov	41.6%	58,486,000	54,843,000	(3,643,000)	-6.2%
Jul-Dec	50.0%	70,339,000	66,395,000	(3,944,000)	-5.6%
Jul-Jan	59.2%	83,277,000	79,879,000	(3,398,000)	-4.1%
Jul-Feb	67.2%	94,478,000	90,937,000	(3,541,000)	-3.7%
Jul-Mar	75.5%	106,196,000	102,320,000	(3,876,000)	-3.6%
Jul-Apr	84.0%	118,092,000	114,750,000	(3,342,000)	-2.8%
Jul-May	91.9%	129,145,000	126,109,000	(3,036,000)	-2.4%
Jul-Jun	100.0%	140,575,000			

Tax and License Annual Privilege Tax Revenue Projections

	Privilege Tax		Over / (Under)	
	Method	Projected Budget	Amount	Percent
% of Increase	\$ 137,753,000	\$ 140,575,000	\$ (2,822,000)	-2.0%
% Received	\$ 137,270,000	\$ 140,575,000	\$ (3,305,000)	-2.4%

Bed Tax Revenue - General Fund (5.0%) 2022-23 Actual Compared to Budget

Monthly Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	7.1%	\$ 772,000	\$ 525,000	\$ (247,000)	-32.0%
Aug	9.0%	978,000	602,000	(376,000)	-38.4%
Sep	11.7%	1,276,000	646,000	(630,000)	-49.4%
Oct	12.6%	1,376,000	788,000	(588,000)	-42.7%
Nov	8.4%	915,000	992,000	77,000	8.4%
Dec	7.9%	855,000	1,055,000	200,000	23.4%
Jan	5.6%	605,000	1,001,000	396,000	65.5%
Feb	6.1%	660,000	1,291,000	631,000	95.6%
Mar	6.8%	739,000	1,758,000	1,019,000	137.9%
Apr	7.4%	803,000	1,925,000	1,122,000	139.7%
May	8.4%	914,000	1,272,000	358,000	39.2%
Jun	9.1%	985,000			
Totals	100.0%	\$ 10,878,000	\$ 11,855,000	\$ 1,962,000	18.0%

Cumulative Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	7.1%	\$ 772,000	\$ 525,000	\$ (247,000)	-32.0%
Jul-Aug	16.1%	1,750,000	1,127,000	(623,000)	-35.6%
Jul-Sep	27.8%	3,026,000	1,773,000	(1,253,000)	-41.4%
Jul-Oct	40.5%	4,402,000	2,561,000	(1,841,000)	-41.8%
Jul-Nov	48.9%	5,317,000	3,553,000	(1,764,000)	-33.2%
Jul-Dec	56.7%	6,172,000	4,608,000	(1,564,000)	-25.3%
Jul-Jan	62.3%	6,777,000	5,609,000	(1,168,000)	-17.2%
Jul-Feb	68.4%	7,437,000	6,900,000	(537,000)	-7.2%
Jul-Mar	75.2%	8,176,000	8,658,000	482,000	5.9%
Jul-Apr	82.5%	8,979,000	10,583,000	1,604,000	17.9%
Jul-May	90.9%	9,893,000	11,855,000	1,962,000	19.8%
Jul-Jun	100.0%	10,878,000			

Tax and License Annual Privilege Tax Revenue Projections

	Bed Tax		Over / (Under)	
	Method	Projected Budget	Amount	Percent
% of Increase	\$ 13,032,000	\$ 10,878,000	\$ 2,154,000	19.8%
% Received	\$ 13,035,000	\$ 10,878,000	\$ 2,157,000	19.8%

Total General Fund Tax Revenue 2022-23 Actual Compared to Budget

Monthly Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.3%	\$ 12,548,000	\$ 11,684,000	\$ (864,000)	-6.9%
Aug	8.0%	12,139,000	11,243,000	(896,000)	-7.4%
Sep	8.3%	12,562,000	11,597,000	(965,000)	-7.7%
Oct	9.4%	14,210,000	12,396,000	(1,814,000)	-12.8%
Nov	8.2%	12,344,000	11,476,000	(868,000)	-7.0%
Dec	8.4%	12,708,000	12,607,000	(101,000)	-0.8%
Jan	8.9%	13,543,000	14,485,000	942,000	7.0%
Feb	7.8%	11,861,000	12,349,000	488,000	4.1%
Mar	8.2%	12,457,000	13,141,000	684,000	5.5%
Apr	8.4%	12,699,000	14,355,000	1,656,000	13.0%
May	7.9%	11,967,000	12,631,000	664,000	5.5%
Jun	8.2%	12,415,000			
Totals	100.0%	\$ 151,453,000	\$ 137,964,000	\$ (1,074,000)	-0.7%

Cumulative Amounts

	2022-23 Budget		2022-23 Actual	Over / (Under)	
	Percent	Amount		Amount	Percent
Jul	8.3%	\$ 12,548,000	\$ 11,684,000	\$ (864,000)	-6.9%
Jul-Aug	16.3%	24,687,000	22,927,000	(1,760,000)	-7.1%
Jul-Sep	24.6%	37,249,000	34,524,000	(2,725,000)	-7.3%
Jul-Oct	34.0%	51,459,000	46,920,000	(4,539,000)	-8.8%
Jul-Nov	42.1%	63,803,000	58,396,000	(5,407,000)	-8.5%
Jul-Dec	50.5%	76,511,000	71,003,000	(5,508,000)	-7.2%
Jul-Jan	59.5%	90,054,000	85,488,000	(4,566,000)	-5.1%
Jul-Feb	67.3%	101,915,000	97,837,000	(4,078,000)	-4.0%
Jul-Mar	75.5%	114,372,000	110,978,000	(3,394,000)	-3.0%
Jul-Apr	83.9%	127,071,000	125,333,000	(1,738,000)	-1.4%
Jul-May	91.8%	139,038,000	137,964,000	(1,074,000)	-0.8%
Jul-Jun	100.0%	151,453,000			

Tax and License Annual Privilege Tax Revenue Projections

	Total Tax		Over / (Under)	
	Method	Projected Budget	Amount	Percent
% of Increase	\$ 150,774,000	\$ 151,453,000	\$ (679,000)	-0.4%
% Received	\$ 150,283,000	\$ 151,453,000	\$ (1,170,000)	-0.8%



Memorandum

TO: Mayor and City Council

FROM: Bill Greene, City Auditor

DATE: June 30, 2023

SUBJECT: FINAL REPORT

Attached is our final report issued for the following project:

- Tempe PRE Audit

A copy of this report will also be posted to the Internal Audit Office website.

We appreciate the cooperation of all the City staff during this project. Please contact me if you have any questions about our results.



Memorandum

TO: Naomi Farrell, Education Career & Family Services Director, Education
THRU: Bill Greene, City Auditor (X8982)
FROM: Diana Storino, Sr. Auditor (X8997)
Angela Hill, Sr. Auditor (X8866)
CC: Rosa Inchausti, Interim City Manager
Tom Duensing, Deputy City Manager
Keith Burke, Deputy City Manager
Marie Raymond, Human Services Manager, Education
Jill Rasmussen, Grants Coordinator, Education
Rachael Brickner, Sr Management Assistant, Education
DATE: June 21, 2023
SUBJECT: FINAL REPORT: Tempe PRE Audit

Attached is our final report on the subject audit. Copies of this report will be distributed to the mayor and council and posted to the Internal Audit Office website.

Thank you and your staff for your cooperation during this project.

Tempe PRE Audit

June 21, 2023

Project Team:

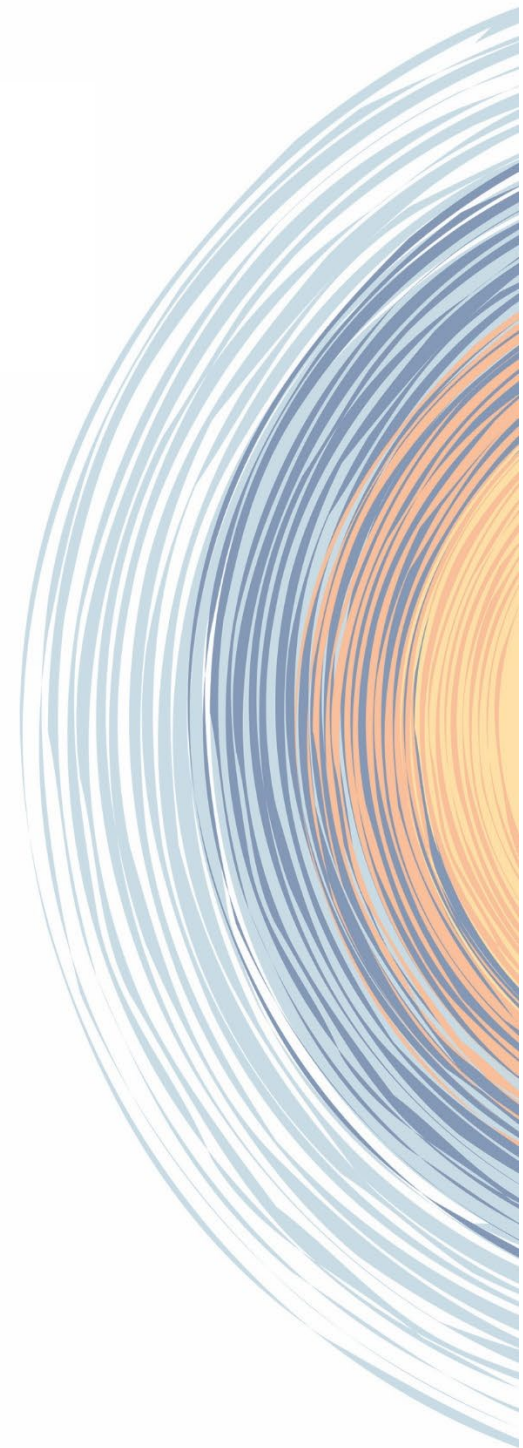
Bill Greene, City Auditor
Diana Storino, Sr. Auditor
Angela Hill, Sr. Auditor

Mission Statement

To enhance and protect organizational value by providing high-quality, objective, risk-based audit and consulting services to assist the City in accomplishing strategic priorities, goals, and objectives.



20 E. 6th Street, 2nd Floor | Tempe, AZ 85281 | 480-350-8982



Executive Summary

Purpose

At the request of the Tempe City Council, the Internal Audit Office (IAO) audited the City's Tempe PRE preschool program to:

- Identify program elements, organizational structure, funding sources, and costs.
- Determine if management controls and processes are in place to ensure program activities are administered in alignment with external funding terms and conditions.

Background

Tempe PRE is a collaboration between the City of Tempe (City) and the Tempe Elementary School District (TD3) to provide a high-quality, full-day preschool program committed to supporting Tempe's youngest learners in preparing for kindergarten. The program is open to all families who live in Tempe, with tuition assistance based on need. Tempe PRE partners with the Maricopa County Head Start program to provide additional support for families who qualify. The program was launched in August 2017 and offers tuition paid seats for interested families living outside of Tempe. Tempe PRE also accepts Arizona Department of Economic Security (DES) subsidies for all families that meet the requirements regardless of where they reside. At the time of our audit, 171 Tempe PRE students were enrolled in the program.

The City Council approved a Workforce Readiness and Economic Vitality (WREV) Council Committee request to approve the use of staff resources to conduct an internal audit of the Tempe PRE program. The audit was requested to ensure the current program can take full benefit of potential funding opportunities from upcoming federal and state government programs.

Results in Brief

Tempe PRE is structured as a partnership between the City of Tempe, TD3, and various research entities. As shown in the Table below, each organization provides different services from program implementation to execution.

Tempe PRE System	
Organization	Services Provided
Research Partners: Helios Education Foundation, NORC at the University of Chicago, First Things First, Harder & Company, Arizona State University	Conduct research studies focused on program implementation, quality practices, and child outcomes.
Tempe Elementary School District #3	<ul style="list-style-type: none">• Develop school calendars and provide administrative practices and oversight.• Provide classroom facilities and property management.

	<ul style="list-style-type: none"> • Hire and evaluate Tempe PRE teaching staff. • Assign a preschool administrator to work directly with the Tempe PRE Supervisor on program operations and communicate with school administrators and classroom teaching teams.
City of Tempe	<ul style="list-style-type: none"> • Deliver implementation and financial support to Tempe PRE through the Office of Education, Career and Family Services. • Administer family enrollment and advocacy. • Provide funding for teaching staff and materials, lunch and snack program, and professional development. • Assist classroom staff with development of curriculum and child assessments. • Obtain DHS licensing (through Kid Zone) for all Tempe PRE sites. • Process registration payments and provide extended care options for families. • Manage Head Start and DES program requirements and billing.

In addition to City of Tempe financial support, Tempe PRE has partnerships with other organizations that provide the funding and support necessary to administer and operate the program. More granular tracking of revenues by source and development of routine financial reports would enhance fiscal transparency and aid program management decisions.

IAO obtained Tempe PRE’s adopted budget for FY 21/22 with an approved funding duration of two years. The City’s Operating Budget Supplemental Request form identified the following annual budget categories:

Personnel Services	\$ 382,492
Supplies and Services	1,550,953
Adopted Budget (Total Cost)	1,933,445
Less: Revenue Offset	(433,444)
Net Fiscal Effect	<u>\$1,500,001</u>

We reviewed City financial records to identify actual expenditure activity that supported approved budgeted amounts. However, we identified several gaps in current financial tracking and reporting processes that prevented presentation of a clear picture of Tempe PRE’s financial position. Improvements are needed in the areas of revenue and expenditure recognition, revenue classification and routine reports and reconciliations to support accurate, transparent, and timely reporting of program financial data.

Tempe PRE management controls need improvement to ensure program activities are administered in alignment with external funding terms and conditions.

Opportunities exist to improve key management controls outlined in the Tempe PRE Operations Manual. Specifically, policy updates are needed to address areas essential for contract administration, records management, reporting and fiscal monitoring to support a strong control environment. Our detailed report contains audit observations and recommendations to improve business processes in areas such as:

- Contract administration procedures to ensure all contracts are fully executed and readily accessible.
- Record management to support compliance with licensing and funding requirements.
- Policy guidance regarding invoice preparation, review, and payment.
- Clear policy addressing past due tuition balances.
- Routine and systematic school site visits.
- Accurate and comprehensive operational reporting.

Recommendations

Our detailed report contains a few recommendations to further strengthen Tempe PRE management controls.

Department Responses to Recommendations

<p>Rec. 1.1: Address any outstanding deficiencies noted on previous DHS inspection reports.</p>	
<p>Response: Any deficiencies noted on the DHS inspection reports will be corrected by appropriate staff and the Tempe PRE Supervisor will confirm that the deficiencies have been corrected within 15-30 days, or sooner, depending upon the deficiency cited. The Tempe PRE supervisor will also conduct monthly site visits using a DHS checklist to ensure continued compliance.</p>	<p><u>Target Date:</u> 8/18/2023</p>
<p>Explanation, Target Date > 90 Days:</p>	
<p>Rec. 2.1: Clearly assign contract monitoring responsibilities for each external funding agreement to provide the oversight necessary to ensure compliance with contract provisions.</p>	
<p>Response: This function will be assigned to the Tempe PRE Supervisor to monitor agreements. Tempe PRE will also establish a contract data base within in the office so that contracts can be accessed/viewed readily and as needed.</p>	<p><u>Target Date:</u> 8/18/2023</p>
<p>Explanation, Target Date > 90 Days:</p>	
<p>Rec. 2.2: Ensure all fully executed documents related to the Tempe PRE program are stored and can be retrieved readily.</p>	
<p>Response: This function will be assigned to the Tempe PRE Supervisor to monitor agreements. Tempe PRE will also establish a contract data base within in the office so that documents can be accessed/viewed readily and as needed.</p>	<p><u>Target Date:</u> 9/1/2023</p>
<p>Explanation, Target Date > 90 Days:</p>	
<p>Rec. 3.1: Enhance fiscal transparency by classifying intergovernmental revenue accurately and recognize expenditures incurred and revenue when earned.</p>	
<p>Response: Tempe PRE staff will work with COT Accounting staff to establish separate account codes which will allow for accurate revenue recording for each intergovernmental revenue source. Expense invoices from TD3 will be captured within the fiscal year they occurred.</p>	<p><u>Target Date:</u> completed</p>
<p>Explanation, Target Date > 90 Days:</p>	
<p>Rec. 3.2: Generate routine financial reports to demonstrate budgetary control and compliance with governing documents.</p>	

Response: Financial reports will be generated monthly through PeopleSoft and reviewed for accuracy, compliance, and forecasting. Issues/questions/concerns will be discussed with Manager/Director.	Target Date: 7/1/2023
Explanation, Target Date > 90 Days:	
Rec. 3.3: Develop written guidance to ensure consistent practices and adequate supporting documentation for billing and past due account treatment.	
Response: The Tempe PRE Operations Manual will be updated to reflect proper and consistent policies for billing and past due accounts. The same information will be reflected in the Tempe PRE Parent Handbook.	Target Date: 8/30/23
Explanation, Target Date > 90 Days:	
Rec. 3.4: Ensure expenditure amounts and frequencies in the <u>Tempe PRE Operations Manual</u> are consistent with the IGAs.	
Response: The Tempe PRE Operations Manual will be updated to reflect the terms of the IGA.	Target Date: 8/30/23
Explanation, Target Date > 90 Days:	
Rec. 3.5: Obtain and review supporting documentation prior to payment of any invoice.	
Response: Staff will obtain and review supporting documentation from TD3 prior to the payment of any invoice and in accordance with the IGA.	Target Date: 8/18/2023
Explanation, Target Date > 90 Days:	
Rec. 3.6: Request updated cost model information which supports the TD3 in-kind contribution.	
Response: Staff will request updated cost model information which supports the TD3 in-kind contribution from the district CFO.	Target Date: 8/18/2023
Explanation, Target Date > 90 Days:	
Rec. 4.1: Review and update the Tempe PRE Operations Manual for completeness and accuracy. At a minimum, address policy improvements noted in this audit.	
Response: The Tempe PRE Operations Manual will be reviewed for completeness and updated for additional policy clarifications	Target Date: 8/30/2023

and accuracy. The Tempe PRE DHS Manual will also be added as an addendum to the Operations Manual.	
Explanation, Target Date > 90 Days:	
Rec. 4.2: Work with TD3 to ensure all teaching staff in the classroom have received the required background screening in accordance with DHS regulations.	
Response: Tempe PRE has collaborated with TD3 to establish new procedures for any staff assigned to PRE classrooms. PRE staff will have completed all background, training, and staff documentation requirements prior to beginning work in the classroom.	Target Date: Completed
Explanation, Target Date > 90 Days:	
Rec. 4.3: Conduct regular site visits and document and track improvement efforts.	
Response: The Tempe PRE Supervisor along with the Tempe PRE Specialist will conduct monthly site inspections to document DHS compliance for both staff and participant files along with required site documentation. Visits will be documented, improvements tracked and follow up will occur, if necessary.	Target Date: 8/18/2023
Explanation, Target Date > 90 Days:	

1 – Tempe PRE Program

Background

The City launched the Tempe PRE program in August 2017 to provide high-quality, full-day preschool for three- and four-year-old children. The program is managed by the City of Tempe Office of Education, Career and Family Services staff and classes are taught by early childhood education-certified teachers.

Approach

The IAO performed the following steps to identify Tempe PRE program elements, organizational structure, and student composition. We also determined if certain license requirements were met.

- Reviewed the *Tempe PRE Operations Manual* and website to become familiar with the program, partnerships, and general business practices.
- Interviewed Tempe PRE and Kid Zone staff as well as Tempe Elementary District #3 (TD3) staff to gain an understanding of roles and responsibilities.
- Conducted classroom site visits to observe if:
 - current license and insurance certificates were posted in the classrooms.
 - previously reported Department of Health Services (DHS) Inspection Report deficiencies were corrected.
 - teacher/student ratios were maintained as provided for in the City policy and Department of Health Services (DHS) regulations
- Documented tuition levels and number of children served.

Results

Tempe PRE is structured as a partnership between the City of Tempe, TD3, and various research entities. As shown in the Table below, each organization provides different services from program implementation to execution.

Organization	Services Provided
Research Partners: Helios Education Foundation, NORC at the University of Chicago, First Things First, Harder & Company, Arizona State University	Conduct research studies focused on program implementation, quality practices, and child outcomes.
Tempe Elementary School District #3	<ul style="list-style-type: none">• Develop school calendars and provide administrative practices and oversight.• Provide classroom facilities and property management.

	<ul style="list-style-type: none"> • Hire and evaluate Tempe PRE teaching staff. • Assign a preschool administrator to work directly with the Tempe PRE Supervisor on program operations and communicate with school administrators and classroom teaching teams.
<p>City of Tempe</p>	<ul style="list-style-type: none"> • Deliver implementation and financial support to Tempe PRE through the Office of Education, Career and Family Services. • Administer family enrollment and advocacy. • Provide funding for teaching staff and materials, lunch and snack program, and professional development. • Assist classroom staff with development of curriculum and child assessments. • Obtain DHS licensing (through Kid Zone) for all Tempe PRE sites. • Process registration payments and provide extended care options for families. • Manage Head Start and DES program requirements and billing.

We verified that required license and insurance certificates were posted in all classrooms we visited. Additional efforts should be made to address any remaining deficiencies previously identified on DHS inspection reports.

DHS staff periodically conducts inspections to evaluate licensee compliance. Arizona Department of Health Services Rules and Regulations state,

“The department shall visit each childcare facility as often as necessary to assure continued compliance with this article and department rules. The department shall make at least one unannounced visit annually.”

The rules and regulations also discuss how noncompliance can jeopardize licensing. Specifically, DHS policies provide the following factors in determining whether to deny, suspend, or revoke a license:

1. Repeated violations of statutes or rules
2. A pattern of non-compliance
3. The type of violation
4. The severity of each violation
5. The number of violations

IAO conducted site visits of Tempe PRE classrooms at the seven school locations and determined if active licenses and insurance certificates were appropriately posted on classroom bulletin boards in every Tempe PRE classroom, as required.

IAO staff also reviewed deficiencies identified in the most current DHS inspection reports to determine if they were remediated following report issuance. The number of deficiencies identified by DHS in the inspection reports for the 11 classrooms totaled 41. We judgmentally selected 21 to verify if they had since been corrected and noted that 19 of the 21 deficiencies were resolved. It is important to resolve outstanding deficiencies to ensure that DHS does not assess penalties or take any advanced actions.

Table 2 provides detailed audit testing information by school.

Table 2 Inspection Detail Follow-Up				
School	DHS Inspection Date	Total # of Deficiencies Noted in DHS Report	# of Deficiencies selected for Testing	# of Tested Deficiencies Cleared
Aguilar	2/2/2022	6	2	1
Arredondo	10/12/2022	5	2	2
Carminati	2/16/2022	5	3	2*
Getz	6/15/2022	5	4	4
Shamley	8/10/2022	3	2	2
Thew	8/3/2022	11	3	3
Wood	2/2/2022	6	5	5
Total		41	21	19

*1 exception cleared onsite during fieldwork

During site visits, we noted the Tempe PRE student to teacher ratio complied with DHS requirements. However, staff vacancies and absences contributed to a teacher to student ratio in excess of the more stringent target established by City policy.

As of January 5, 2023, 171 students were enrolled in the Tempe PRE program with a total stated capacity for 198. During our site visits at the 11 Tempe PRE classrooms, we determined if there was compliance with staff to student ratios as provided in DHS Rules and Regulations and the Tempe PRE Operations Manual. The City adopted a stricter staff to student ratio than required by DHS:

Arizona Department of Health Services Rules and Regulations state,

“A licensee shall ensure that at least the following staff-to-children ratios are maintained at all times when providing childcare services to enrolled children.”

The DHS staff to student ratio required for 3-year-old children is 1:13.

Tempe PRE Operations Manual states, “Each Tempe PRE classroom is staffed by a certified teacher as well as an instructional assistant with a 1:9 adult to child ratio.”

On January 31, 2023, there was a staff vacancy at Thew Elementary School and both Tempe PRE teachers were absent. Therefore, the vacancy combined with absences contributed directly to staffing challenges. In an attempt to ensure compliance with staff to student ratios, staff was moved from Aguilar to Thew. However, this created a staff shortage at Aguilar which could not be remedied by bringing administrative staff from the front office because they are not qualified, Tempe PRE teachers.

Since the site visit (and as of February 21, 2023), TD3 filled two of the four teacher vacancies. At the time of the audit, there were still four Tempe PRE vacancies between the City and TD3. Positions included the full-time and part-time vacancies shown in Table 3 below.

As a general practice, when the vacant positions are filled, staff would be available to cover absences and ensure Tempe PRE teacher to student ratios are maintained.

Table 3 below provides student capacity, enrollment, teacher allocations and vacancies by school.

Table 3 Schools, Capacity and Staffing Data As of 2/21/23								
School	Classrooms	Capacity	Enrolled	Teachers	Instructional Assistants		Vacancy	
					FT	PT	FT	PT
Aguilar	2	36	36	2	3			
Arredondo	1	18	17	1	1	1		
Carminati	1	18	12	1	1			1
Getz	2	36	36	2	1	2		
Shamley	1	18	12	1	1			1
Thew	2	36	24	2	2	2		
Wood	2	36	34	2	2	1		
Total	11	198	171	11	11	6		2

Of the 171 Tempe PRE students enrolled at the time of our audit, 69 (40%) were completely subsidized by the City, 61 (36%) were funded by outside sources, and 41 (24%) either paid full or half tuition.

Tempe PRE is administered by the City and offers families financial assistance based on income eligibility requirements. The Federal Poverty Levels (FPL) are reviewed annually to determine financial assistance eligibility for the program. Free, half-tuition, and full tuition options are available depending on income eligibility requirements and

available seats. Tuition rates for school year 2022-23 and distribution by school are detailed below and shown in Table 4:

Free: Tempe families with an income at or below 200% of the Federal Poverty Level (FPL)

Half Tuition: Tempe families with an income between 200 to 300% of the FPL. \$375 per month or \$385 with extended care.

Full Tuition: All families are eligible. \$750 per month or \$770 with extended care.

Table 4 Number of Children Served by Tuition Level As of 1/5/2023								
School Name	Free	Half	Full	DES	First Things First Scholarship	Ramsey Social Justice Foundation Scholarship	Head Start	Total
Aguilar	17	5	8	4	2	0	0	36
Arredondo	3	0	9	4	1	0	0	17
Carminati	6	0	0	5	1	0	0	12
Getz	15	4	7	9	0	1	0	36
Shamley	8	0	2	1	1	0	0	12
Thew	17	1	2	3	1	0	0	24
Wood	3	0	3	5	5	0	18	34
Total	69	10	31	31	11	1	18	171

Recommendations

1.1 Address any outstanding deficiencies noted on previous DHS inspection reports.

2 – External Funding Agreements

Background

Tempe PRE has various governing documents that establish the collaborative relationships that serve to administer the Tempe PRE program. Appropriate contract administration functions include consistent processes to execute, store, and monitor contracts to ensure compliance with terms and conditions.

Approach

We conducted the following audit steps to identify Tempe PRE external funding sources and key terms and conditions:

- Reviewed IGAs and participation agreements terms and conditions;
- Interviewed Tempe PRE staff to locate governing documents and identify contract administration practices.

Results

The City of Tempe has various partnerships with other organizations that provide additional funding necessary to administer and operate the Tempe PRE program. As shown in Table 5 and the partnership descriptions below, each organization has a different funding source and unique agreement provisions.

Tempe PRE staff identified the following primary program partners and associated agreements. IAO reviewed the agreements to identify the funding source and amount, key provisions, and current agreement status. Primary partnerships are briefly described below and in Table 5. *Section 4 - Management Controls* of our report contains results and conclusions regarding audit testing of key agreement terms.

Table 5 Primary Program Partners Numbers Derived from IGAs and Staff Reporting				
Organization	Source of Revenue	Initial Agreement	Agreement Status	Amount
DES	State of AZ	Various licensing dates	Ongoing- tied to licensing	\$220,000* (*Annual staff estimate)
Head Start	Maricopa County	8/12/2019	Expires 6/30/2024	\$133,120
First Things First	Valley of the Sun United Way	7/1/2022	Expires 6/30/2023	\$160,000
TD3	TD3	7/1/2017	Renewed 7/1/2021; up to (5) 1-year renewals	\$676,179 (In-kind: See Section 3)

DES Subsidy

The City of Tempe Kid Zone Enrichment Program holds a DHS License for each Tempe PRE school. The license is required to be eligible for DES funding. A child enrolled in Tempe PRE is eligible to receive a tuition assistance subsidy if certain conditions are met. DHS rules and regulations must be followed to ensure continuous funding and licensing to operate a preschool program. Of the DHS rules and regulations, we identified the following specific requirements for our audit review:

- DES Central Registry Background Clearance
- DPS Fingerprint Clearance Card
- Health Screening with Tuberculosis (TB) Results
- First Aid/CPR Card
- Food Handlers Card

Head Start Program

Tempe PRE has an established collaboration with Maricopa County Head Start to expand access to high quality preschool within the Tempe School District. Specific provisions and requirements of this collaboration are documented in an Intergovernmental Agreement (IGA). Maricopa County provides funding to increase instructional annual hours for enrolled Head Start children. Head Start reimburses Tempe PRE at a daily rate per eligible student for 160 school days not to exceed \$133,120.

The IGA with Maricopa County requires certain provisions for instructional staff. IAO judgmentally selected the following terms to review for compliance:

- Health Screening with TB Results
- First Aid/CPR card
- Food Handlers Card

First Things First

First Things First provides scholarships funded through the Valley of the Sun United Way to income eligible students. The number of scholarships awarded and reimbursement rate are determined by various criteria including the program's Quality First Star Rating.

Tempe PRE established a participation agreement with First Things First which outlines the roles and responsibility for participation in the scholarship program. Key provisions from the agreement include:

- Household income at or below 300% of the 2022 US Department of Health and Human Services Federal Poverty Guidelines
- Children not yet eligible for kindergarten based on age
- Current Arizona resident

TD3

The City has a collaborative partnership through an IGA with TD3 to provide a high-quality full-day preschool program. The IGA specifies that Tempe PRE classes will be conducted at TD3 school sites and the district will interview and hire instructional staff. The agreement delineates TD3 and City responsibilities including reimbursement of TD3 for various expenditures including supplies, food, and salaries. Additionally, books and records are required to be available to each party during the time of the agreement and three years after termination of the agreement.

Contract administration procedures need improvement to ensure all contracts are fully executed and readily accessible. Contract monitoring and oversight are essential controls to ensure compliance with terms and conditions and continuation of current funding.

During the audit, Tempe PRE staff was not able to readily provide copies of all the executed governing documents for the Tempe PRE program. Currently, contract monitors are not assigned to manage external funding agreements or document status of key terms and conditions.

At the conclusion of our audit fieldwork, some documents we requested remained outstanding. In other cases, agreements were not fully executed (i.e., did not contain all appropriate signatures). Without a fully executed contract, enforcement of the terms and conditions may be met with resistance. For instance, the benefits may not be realized or legal requirements to perform may be unenforceable. The likelihood of litigation may increase to determine the actual status of the parties' obligations.

At the conclusion of fieldwork, IAO documented the status of each governing document for the Tempe PRE program. The following chart summarizes execution status, agreement name, and number.

Table 6 Tempe PRE Governing Document Status		
Fully Executed?	Document Name	Document #
	<u>TEMPE Elementary School District</u>	
Yes	IGA between TD #3 and City of Tempe	C2017-133
Yes	Addendum No. 1	C2017-133a
Outstanding*	Addendum No. 2	
Yes	Amended and Restated IGA	C2017-133A
No	Addendum No. 1	C2017-133A1
Yes	Addendum No. 2	C2017-133A2
No	Addendum No. 3	C2017-133A3
Yes	2nd Amended and Restated IGA between TD#3 and City of Tempe	C2017-133B

Yes	Addendum No. 1	C2017-133B
	<u>Head Start</u>	
No	IGA between Maricopa County Administered by its Human services Department and TD #3 and City of Tempe	C-22-20-005-3-00
No	Amendment 1	C-22-20-005-3-01
No	Amendment 2	C-22-20-005-3-02
No	IGA between Maricopa County Administered by its Human services Department and TD #3 and City of Tempe	C2022-145
No	Amendment 1 to IGA between Maricopa County Administered by its Human services Department and TD #3 and City of Tempe	C2022-145A
	<u>First Things First</u>	
Outstanding*	IGA C2017-240A 1	
Outstanding*	IGA GRA-STATE-21-1079-01 Amendment 1	
Yes	First Things First Quality 1st Scholarship Program Participant Agreement	N/A
N/A	Participant Agreement (application)	N/A

*Note: Outstanding means the audit team never received a copy of this agreement.

Recommendations

- 2.1 Clearly assign contract monitoring responsibilities for each external funding agreement to provide the oversight necessary to ensure compliance with contract provisions.
- 2.2 Ensure all fully executed documents related to the Tempe PRE program are stored and can be retrieved readily.

3 – Tempe PRE Financial Information

Background

Tempe PRE program is funded through various sources including the City of Tempe. Tempe PRE also partners with the Maricopa County Head Start, First Things First, and Arizona Department of Economic Security (DES) to provide additional financial support to families who meet income qualifications.

In addition to direct financial contributions made by Tempe PRE partners, the program receives in-kind contributions from TD3 in the form of free classroom space and administrative support services. The City reimburses TD3 through a quarterly invoice process outlined in the IGA for various expenditures including supplies, food, and salaries.

Approach

The IAO conducted the following steps to evaluate program revenues and expenditures and identify sources and amounts of funding:

- Identified funding revenues and expenditures for the Tempe PRE program;
- Reviewed City budget documents to determine adopted program budgets for revenues and expenditures;
- Recalculated DES and Head Start funding and verified amounts were accurately recorded in the City financial records;
- Verified FTF scholarships were accurately recorded in City financial records in accordance with Regional Scholarship Program Participant Reconciliation Report
- Identified Tempe PRE in-kind contributions based on calculations provided by TD3;
- Reviewed TD3 invoice expenditures, evaluated adequacy of supporting documentation and verified accurate reporting in City financial records;
- Reviewed past due accounts to ensure compliance with City policy.

Results

In addition to City of Tempe financial support, Tempe PRE has partnerships with other organizations that provide the funding and support necessary to administer and operate the program. More granular tracking of revenues by source and development of routine financial reports would enhance fiscal transparency and aid program management decisions.

IAO obtained Tempe PRE's adopted budget for FY 21/22 with an approved funding duration of two years. The City's Operating Budget Supplemental Request form identified the following annual budget categories:

Personnel Services	\$ 382,492
Supplies and Services	1,550,953
Adopted Budget (Total Cost)	1,933,445
Less: Revenue Offset	(433,444)
Net Fiscal Effect	<u>\$1,500,001</u>

We reviewed City financial records to identify actual expenditure activity that supported approved budgeted amounts. However, we identified several gaps in current financial tracking and reporting processes that prevented presentation of a clear picture of Tempe PRE's financial position:

1. **Revenue and Expenditure Recognition:** Review of the City's financial systems showed that Tempe PRE expenditures are recorded when paid rather than when incurred and revenues are recorded when received rather than earned as required in modified accrual basis of accounting.

For example, a TD3 invoice for approximately \$462,000 for period April to June 2022 (Q4) was not posted to City financial records in FY 21/22. It was recorded in October 2022 (FY 22/23) when it was paid. Therefore, program expenditures were understated at the end of FY 21/22. Because of this practice, only two quarters of TD3 expenditures have been recorded for FY 22/23 as of April 2023.

2. **Revenue Classification:** Currently, Tempe PRE revenues are categorized as tuition, registration, late fees, or donations. DES and Head Start payments to the City are have been included in these categories rather than recorded as intergovernmental revenue. Revenue received from DES and Head Start is based on attendance and agency specific criteria and is applied to pay for program expenses. These revenues represent governmental funding sources and should be classified as intergovernmental revenue. Conversely, tuition that is not paid by external funding sources is based on an invoice generated by the City and is correctly classified as tuition revenue.

3. **Routine Reports and Periodic Reconciliations:** IAO requested financial reporting that would detail the program budget and track detailed revenues and expenditures. We did not receive any financial reporting for the Tempe PRE program. Additionally, we requested reconciliations to identify how the adopted budget numbers correlate to the budgeted and actual revenue and expenditures in the City's financial records. No reconciliations were provided.

Financial reporting and reconciliations are two important controls that help ensure proper classification of transactions and that revenues and expenditures are recorded when transaction occurs. Periodic financial reporting is necessary to provide reliable, timely, and useful data needed to support operating, budgeting, and policy decisions. These reports should be reviewed by management to ensure accuracy and consistent reporting treatment over time.

Financial reporting is helpful in demonstrating budgetary control and compliance with governing documents. Once periodic financial reports are generated, the

next step would be to prepare financial forecasting by incorporating proforma analysis which can be used when making program decisions based on “what if” scenarios that can address fluctuations in revenue and expenditures and the impact on the program over time.

TD3 calculated the fair market value of the in-kind contribution to the City of Tempe at about \$676,000.

IAO interviewed TD3 Chief Financial Officer to gain an understanding of the methodology used in the calculation of the in-kind contribution. We reviewed the calculations for reasonableness and that methodology was consistently applied. We also verified the mathematical accuracy of calculations.

Table 7 TD 3 Tempe PRE In-Kind Contribution		
Description	Amount	Cost Driver
Facility	\$539,482	Based on an hourly room rental rate considering extended hours, camps
Utilities	69,240	Based on allocation of square footage dedicated to Tempe PRE classrooms
Indirect Cost	67,457	Allocated based on 5.07% of reimbursed costs
Total Value of In-Kind Contribution	\$676,179	

During the staff interview, the CFO mentioned the hourly room rates applied in the model are not current and should be updated. The City should ask for cost model updates periodically to ensure the numbers are current. After evaluation of in-kind calculation and interview with TD3 staff, the following are items to consider:

- Ensure cost model is kept current and can be substantiated through market studies in the case of facility costs based on a rental rate.
- Ensure mathematical accuracy of model
- Document all cost components and make necessary adjustment to reflect accurate cost allocation
- Retain supporting documentation

Head Start and FTF invoices were calculated and recorded correctly in the City’s financial records. However, additional research is needed to verify Head Start daily reimbursement rates align with governing documents.

Head Start

The City submits monthly Head Start reimbursement claims to Maricopa County Human Services Department. IAO judgmentally selected three monthly reimbursement claim

forms totaling \$34,363.75. Without exception, we verified the submissions were properly authorized by the Tempe PRE supervisor, invoice amounts were accurate based on the number of students and days enrolled, and amounts agreed with City financial records.

Although the selected invoices recalculated without exception, we noted the cost per day outlined in the Tempe PRE Operations Manual did not mathematically align to the IGA. The agreement provides for a maximum reimbursement of \$133,120. The Tempe PRE Operations Manual states the daily rate is \$37.15 per student. Given the daily rate for 20 students at 160 days, a maximum of \$118,800 would be permitted. This is approximately \$14,000 less than allowed for in the IGA. Although not an exception, additional research is needed to ensure the daily rate is accurate and consistent with the intent of the IGA. After the completion of fieldwork, staff indicated there are 180 school days. IAO reviewed the IGA and were unable to confirm the number of school days or the daily rate as it was not included in the agreement.

First Things First

We judgmentally selected the January 2023 Regional Scholarship Program Participant Reconciliation Report for FTF scholarships to ensure accurate recording in the City's financial records. This report included 12 students and scholarships totaling \$12,075. No exceptions were noted for FTF invoices.

Our examination of DES billings demonstrated a need for additional policy guidance regarding invoice preparation and review. Invoice documentation should be adequate to ensure billing practices are consistently applied and amounts are calculated accurately based on dates and rates provided in the DES authoritative documents.

Kid Zone staff receives monthly DES AZCCATS Billing Forms which are auto populated by DES with maximum authorized dates of attendance, maximum monthly tuition, and related copay amounts. Kid Zone staff then reviews the billing form and submits modifications to reflect actual student attendance, absences, copays, and maximum authorized amounts.

We judgmentally selected two months of billings totaling approximately \$16,200 and 21 students from the associated months for testing. We conducted the following tests:

- Verified DES AZCCATS Billing Form matched attendance sheets
- Traced and agreed rates on the billing form to the DES Maximum Reimbursement Rates for Child Care
- Confirmed accuracy of billing form to DES Certificate of Authorization noting start dates, number of days and half or full day allocation
- Verified mathematical accuracy of the billing form
- Traced and agreed amounts from the billing forms to City's financial records

Our evaluation of DES AZCCATS Billing Forms indicated a need for detailed policy guidance in two key areas:

- Accuracy of unit rates
- Inconsistent application of absences

Accuracy of Unit Rates

Of the billing forms reviewed, we noted a few instances where the amount could not be recalculated because the rate used on the billing form did not match the rates documented in the Maximum Reimbursement Rates for Child Care form. Since DES populates these rates, Kid Zone staff indicated that they accepted the prepopulated rates from DES as accurate. When investigating further, Kid Zone staff agreed that the invoice practices could be strengthened by obtaining additional documentation from DES to support rates.

Application of Absences

The DES Certificate of Authorization provides student confirmation of DES services noting start dates, number of days authorized for attendance and half or full day allocation. The AZCCATS Billing Form calculates the maximum days authorized based on the Certificate of Authorization and related copay, unit rate, and half or full day allocation. During testing of transactions, we noted several instances in which the half or full day allocation differed from actual attendance as documented on the attendance sheets. These differences were due to student absences. According to Kid Zone staff, DES pays for two full day absences per month per student. We were not provided any documentation to support this practice nor was there a consistent practice of applying absences between full day and half days. Without specific DES instruction documentation regarding application of absences, accurate billing cannot be verified.

Policy guidance is needed to ensure consistent treatment of enrollees with past due balances.

The Tempe PRE Operations Manual states,

“Tuition is due on the 1st of every month for the following month’s program. A \$25 late fee will be assessed for payments received/posted after the 20th of the month. If payment is not received by the end of the month, your child will be withdrawn from the program.”

The manual also states that any participant with an outstanding balance will not be able to re-enroll until the balance is paid in full or payment arrangements have been made with Tempe PRE staff. However, the manual does not provide detailed guidance on past due account practices and treatment.

Through discussion with Kid Zone staff, we were provided a report entitled Past Due Guardian Accounts by Participant. Kid Zone staff indicated this report was used to identify past due accounts but was unaware of any specific management evaluation of overdue balances as it is not addressed in the Tempe PRE Operations Manual.

We reviewed the Kid Zone Past Due Guardian Accounts by Participant Report as of May 4, 2023 and noted the past due balances fall into these primary categories:

- 1 month past due \$1,313
- DES subsidy sunset \$795
- Multiple months past due \$625
- Late pick up fees \$195

On the report, three accounts had a past due balance that were no longer receiving a DES subsidy. In discussion with Kid Zone staff, we were informed that when a guardian is reenrolling in DES, the participant is not removed from Tempe PRE. While waiting for approval, the tuition is allowed to accumulate a past due balance. There are no assurances provided by DES that the tuition assistance will be reinstated. Upon reinstatement the outstanding balance may be paid by DES. Tempe PRE Operations Manual does not account for time elapsed while waiting for DES approval or resulting action in the event of denial. Absence of clear policy may lead to disparate treatment, or the appearance of disparate treatment, among participants.

Controls over the TD3 invoice review and payment process should be strengthened to ensure expenditures are consistently and adequately supported and comply with IGA requirements.

We judgmentally selected three TD3 invoices and evaluated if:

- Expenditures had adequate supporting documentation, were mathematically accurate and complied with IGA requirements
- Amounts were recorded accurately in City financial records

Table 8 below details the TD3 total invoices reviewed:

Table 8			
TD3 Invoices			
(rounded to nearest dollar)			
	2022	2023	
	April – June (Q4)	July – Sept (Q1)	Oct – Dec (Q2)
Services			
General Supplies	\$33,855	\$0	\$1,145
Technology	\$2,752	\$0	\$0
<u>Total Services</u>	\$36,607	\$0	\$1,145
<u>Food Supplies</u>	\$7,916	\$10,529	\$14,209
Salaries			
Teachers	\$273,111	\$129,413	\$235,753
Substitutes	\$6,910	\$5,185	\$0.00
Camps	\$31,607	\$15,337	\$4,296
Pre School IA	\$105,979	\$67,346	\$147,745
<u>Total Salaries</u>	\$ 417,608	\$ 217,282	\$ 387,794

<u>Total Invoice</u>	<u>\$ 462,131</u>	<u>\$ 227,811</u>	<u>\$ 403,148</u>
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Quality of Supporting Documentation

All invoices tested were recorded accurately in City financial records; however, we noted areas for improvement with the quality of supporting documentation. The Q1 Substitute Teacher contract amount was supported by a report entitled Sub Invoices which did not have any identifying system information from which it was generated and had a handwritten note at the bottom noting to add the amount to the City invoice. The report identified a 67%/33% split in salary and benefits. The City paid the indicated 67% with no supporting documentation to support this allocation such as a timesheet.

The TD3 invoices also include a “District Wide” line item. Through discussion with TD3 staff, we were informed this amount reflects the salary of the district Tempe PRE coordinator. Addendum 2 to the Amended and Restated IGA provides the City will reimburse 75% of the salary. We were unable to recalculate this amount as the IGA does not have a salary amount included and the invoices do not contain supporting documentation for the salary.

Missing Documentation

IAO requested Q4 2022, Q1 2023 and Q2 2023 invoices and supporting documentation to ensure invoices were adequately supported and in compliance with the IGA. We received invoices and supporting documentation for Q1 and Q2 for 2023 and our request for Q4 remains outstanding. We verified it was recorded as paid in the City’s financial records.

Upon further review, lunch invoices for Q1 and Q2 were not provided for Carminati, Getz, Shamley, and Thew. As a result, the lunch invoices for the four schools were not submitted for reimbursement.

Alignment with IGA

During the review of the TD3 invoices, we noted instances in which clarification was needed to ensure compliance with the IGAs. Specifically, the 2nd Amended and Restated IGA between the City and TD3 does not stipulate a rate of occurrence for reimbursements per classroom for salary costs. The IGA states the City will reimburse \$128,217 but without the rate of occurrence indicating whether this is per month, quarter, or year we are unable to determine compliance with the IGA. Food costs were another area in which we were unable to determine alignment with the IGA. Snack and lunch supporting documentation were not presented in a way that compliance with IGA could be readily determined. To evaluate compliance, attendance records were needed to evaluate whether the cost per day per student for each month were within expenditure limits.

Additionally, the Amended and Restated IGA states that City will reimburse TD3 up to \$2,500 per classroom for materials and supplies but does not mention frequency of

reimbursement or allowed expenses. Further, the Tempe PRE Operations Manual does not identify level of support or allowed expenses. Without the level of detail an expenditure could disallowed based on the IGA.

Recommendations

- 3.1 Enhance fiscal transparency by classifying intergovernmental revenue accurately and recognize expenditures incurred and revenue when earned.
- 3.2 Generate routine financial reports to demonstrate budgetary control and compliance with governing documents.
- 3.3 Develop written guidance to ensure consistent practices and adequate supporting documentation for billing and past due account treatment.
- 3.4 Ensure expenditure amounts and frequencies in the Tempe PRE Operations Manual are consistent with the IGAs.
- 3.5 Obtain and review supporting documentation prior to payment of any invoice.
- 3.6 Request updated cost model information which supports the TD3 in-kind contribution.

4 – Management Controls

Background

Management controls are processes that help achieve organizational goals. Written policies and procedures and appropriate staff training and resources help support a strong control environment. Control processes typically include setting standards, measuring actual performance, and taking corrective action.

Approach

We conducted the following tests to evaluate management controls over Tempe PRE's external funding requirements:

- Reviewed Tempe PRE Operations Manual to determine compliance with selected provisions;
- Interviewed Tempe PRE, Kid Zone and TD3 staff responsible for program management;
- Tested relevant records and documentation demonstrating compliance with City policy and external funding requirements.

Results

Opportunities exist to improve key management controls outlined in the Tempe PRE Operational Manual. Specifically, policy updates are needed to address areas essential for records management, reporting and fiscal monitoring to support a strong control environment.

Tempe PRE Operations Manual provides a clear delineation of staff roles and responsibilities for the administrative functions of the program. However, the policy would be enhanced if it addressed the importance of maintaining compliance and the risk of noncompliance with key provisions in the governing documents. For instance, the policy generally references DHS requirements but does not provide the necessary detail to ensure compliance. Regular updates to the manual help ensure that policy reflects actual business practices and current requirements. The following areas highlight instances where practices differ from policy or guidance is limited or missing:

Record Management and Fiscal Monitoring

1. **Staff File Location and Content:** According to the Tempe PRE Operations Manual, all student enrollment files are maintained at the Tempe PRE office. Conversely, the manual does not specify the physical location of Staff Files. During interviews, Kid Zone staff and Tempe PRE staff provided conflicting information on location of Staff Files.

During fieldwork at the Kid Zone location, we reviewed a sample Staff File to inventory contents. The file contained a “Tempe PRE Checklist” which detailed the contents needed for a complete Staff File. However, this checklist is not referenced in the Tempe PRE Operations Manual and was not mentioned in interviews with Tempe PRE office staff.

2. **Staff File Completeness:** Tempe PRE office staff stated they maintained a spreadsheet that reflected current Staff File status. We requested the spreadsheet to perform audit testing and evaluate its accuracy. The Tempe PRE spreadsheet documented the Staff File was complete while Kid Zone records stated the file was incomplete.

When following up on this status discrepancy, we were informed the spreadsheet review status was completed based on an oral discussion with staff rather than physical verification of documents. Student and Staff Files are housed at each classroom. Due to the inconsistencies noted, we reviewed Student Files and Staff Files onsite at each school. A coordinated approach to ensure the contents in all files are kept current is needed if the files are kept at multiple locations.

3. **Fiscal Accountability and Compliance:** The Tempe PRE Operations Manual states that TD3 salary and supplies payments are made through an invoice and reimbursement system. However, the manual does not provide actionable steps and guidance to determine if the detail included with the invoice is sufficient to demonstrate compliance with IGA requirements and City policy before payment is authorized.

Invoice transaction processing policies should include detailed steps necessary to ensure fiscal accountability by demonstrating expenditures are authorized, substantiated, and recorded correctly in the City’s financial system. This information should be reviewed with TD3 to ensure it is communicated and understood by both parties.

Reporting

Accurate and comprehensive operational reporting is an important management control that can assist management in program oversight and monitoring. The Tempe PRE Operations Manual does not provide a complete listing of available reports or provide detailed guidance on how reports are used.

IAO noted during fieldwork that the enrollment dates on the “Kid Zone Program Roster Report” and “Registration Form” were not consistent. Both reports are generated from the Kid Zone System. Kid Zone staff stated they are aware of reporting inaccuracy issues and are working with IT to identify and correct them. The accuracy of the start date is vital because it is used to calculate tuition fees.

Routine and systematic school site visits are an essential management control for program oversight and monitoring. To ensure Staff and Student Files are in

compliance with City policy, Tempe PRE staff should conduct site visits and document specific action items for follow up.

Tempe PRE Operations Manual does not identify Staff File documentation requirements. Although not addressed in the manual, Kid Zone staff developed a “Tempe PRE Checklist” for inclusion in the Staff File to help provide guidance on file content requirements. IAO utilized the checklist in conjunction with DHS Rules and Regulations to ensure Staff File compliance.

IAO visited 11 classrooms and reviewed 28 Staff Files to ensure compliance with Tempe PRE Checklist and DHS requirements. According to the checklist, file documentation requires:

- Background Screening
- Training
- Food Handler Card
- First Aid/CPR Card
- TB Test
- DPS Fingerprint Clearance Card

File Review

Of the 11 classrooms visited, 1 classroom did not have any documentation exceptions. The remaining 10 classrooms had Staff Files that were either missing documentation, information was not obtained in compliance with requirements, or we were unable to authenticate documentation. Detailed exceptions by school are detailed in table below.

Table 9 Staff File Documentation Exceptions by School						
School	Background Screening (Untimely or Unable to Verify)	Inadequate Training	Missing Food Handler Card	Missing First Aid/CPR card	No Negative TB Test	DPS Fingerprint Clearance Card (Untimely or Missing Back of Card)
Aguilar	2			1		
Arredondo	2					
Carminati		1				
Getz		1	1	1	1	4
Thew	2	4		2	1	
Wood	2	4				1
Total	8	10	1	4	2	5

File Documentation for Licensing

Tempe PRE staff coordinate with TD3 Human Resources to ensure all Tempe PRE Staff Files are in compliance with DHS requirements. During site visits, we observed substitute teachers and other administrative staff being recruited to help in the Tempe PRE classrooms to maintain staff to student ratios. To maintain licensing, Tempe PRE is required to have instructional staff who meet background screening requirements of DHS. According to DHS Rules and Regulations, “Licensees are required to submit a fingerprint clearance card application within 7 working days of a staff member’s start date.”

In addition, DHS regulations state, licensees are required to “ensure that each staff member submits to the licensee a copy of the staff member’s valid: Background check document issued under A.R.S. § 46-811(A) within 10 working days after starting date of employment or volunteer service”. This requirement provides background screening in additional to fingerprint clearance card process requirements.

Due to exigent circumstances, TD3 fills classroom vacancies with available staff or instructors from a staffing agency. Strict timeframes pose challenges that inhibit assurance that substitute staff are subjected to the necessary level of background screening required by DHS prior to entering the classroom.

Site Visit Observations

IAO noted and communicated the following file documentation deficiencies to TD3 staff during the site visit:

- Thew: Staff File was missing a DES direct registry form. However, evidence of DES background check clearance sheet was in another Staff File.
- Wood: Two Staff Files contained expired food handler cards.
- Aguilar: At the time of review, file did not demonstrate adequate hours of CCEI training. Additional records of training hours were subsequently printed and added to the file.

Student File Review

Tempe PRE Operations Manual refers to quarterly onsite classroom observations and the need to document observational notes by site to track improvement efforts. During interviews, Tempe PRE staff and TD3 staff indicated no site visits were conducted or logs completed. Absence of regular site visits increases the risk of gaps or issues with required file documentation.

IAO visited 11 classrooms and reviewed 177 Student Files to ensure compliance with City policy. Specifically, the Tempe PRE Operations Manual identifies file documentation requirements, income eligibility criteria, and admission randomization selection.

Student File Documentation

IAO visited all of the Tempe PRE classrooms and reviewed 177 Student Files. According to the *Tempe PRE Operations Manual* each student will have an individual file that includes:

- Registration form
- Parent Agreement
- Emergency Information and Immunization Record (Copy of the Blue Card)
- McKinney Vento Letter from the school district (if applicable)
- Any Letter or written communication sent to the families during the year.

Of the 11 classrooms visited, five classrooms did not have any documentation exceptions. The remaining six classrooms had Student Files that were either missing documentation, required signatures, or had information discrepancies between documents. Detailed exceptions by school are detailed in table below

School		Registration Form		Emergency Information and Immunization Record	McKinney Vento
Name	# of Classrooms	Missing form	Date Discrepancy	Missing Blue card signature	Missing Qualification Letter
Aguilar	2		1	2	N/A
Getz	2	1		13	N/A
Wood	2		3	18	1
Total	6	1	4	33	1

Income Eligibility and Admission Randomization

We judgmentally selected 23 students, identified tuition funding sources, and verified income eligible criteria were met as specified by funding provider. We additionally verified each vacancy was filled through an admission randomization selection process which eliminated selection based on application date. No exceptions were noted.

Site Visit Observations

IAO noted missing file documentation and collaborated with TD3 staff to correct the following deficiencies during the site visit:

- Aguilar: MKV letter not in file, missing signature on Blue Card
- Getz/Wood: Several Student Files had multiple copies of Blue Cards with varying levels of information.

Recommendations

- 4.1 Review and update the Tempe PRE Operations Manual for completeness and accuracy. At a minimum, address policy improvements noted in this audit.
- 4.2 Work with TD3 to ensure all teaching staff in the classroom have received the required background screening in accordance with DHS regulations.
- 4.3 Conduct regular site visits and document and track improvement efforts.

Scope and Methods

Scope

The revenue and expenditure testing for this audit covered fiscal year 2023 to date. We additionally reviewed external funding agreements for compliance with key terms and conditions.

Methods

We used the following methods to complete this audit:

- Reviewed the *Tempe PRE Operations Manual* and website to become familiar with the program, partnerships, and general business practices.
- Interviewed Tempe PRE and Kid Zone staff as well as Tempe Elementary District #3 (TD3) staff to gain an understanding of roles and responsibilities.
- Reviewed IGAs and participation agreements terms and conditions.
- Recorded funding revenues and expenditures of the Tempe PRE program.

Unless otherwise stated in the report, all sampling in this audit was conducted using a judgmental methodology to maximize efficiency based on auditor knowledge of the population being tested. As such, sample results cannot be extrapolated to the entire population and are limited to a discussion of only those items reviewed.

MEMORANDUM



TO: Mayor and Council
FROM: Mark Day, Municipal Budget Director
DATE: June 30, 2023
SUBJECT: Labor and Equipment Hourly Rates

Attached are the labor and equipment hourly published rates effective for Fiscal Year (FY) 2023-24. The new fiscal year begins July 1, 2023.

The City of Tempe publishes labor and equipment rates that might be charged to outside parties for reimbursement of costs related to the repair of damaged City property or other events. These rates are calculated annually by the Municipal Budget Office.

Please contact me if you have any questions.

FY 2022-23 LABOR RATES

Listed below are the labor rates to be used for billable hours. Please contact the Municipal Budget Office if a labor rate is needed for a specific cost center not listed below.

NOTE: For special events, please refer to the Special Event Fees document

Cost Center	Cost Center Description	Hourly Rate (\$)
City Court		
1410	Judicial Division - Admin	\$68.22
Community Development		
2721	Inspections & Permits	\$73.31
2727	Code Compliance	\$68.30
2731	Planning - Admin	\$83.89
Community Services		
2415	North Tempe Community Center	\$75.66
2440	Library	\$61.45
2487	Escalante Community Center	\$74.98
2521	Recreation - Admin	\$84.43
2522	Special Events	\$75.68
2523	Senior Adults - Pyle	\$51.54
2524	Community Interest	\$61.18
2525	Adult Sports	\$65.34
2526	Youth Sports	\$ 88.13
2527	Facility Resources	\$66.36
2531	Kiwanis Recreation Center	\$70.57
2533	Aquatics	\$64.28
2534	Adapted Recreation	\$59.46
2535	Kiwanis Batting Cages	\$64.95
2536	Boating Programs	\$57.63
2538	Westside Community Center	\$59.31
2543	Tennis	\$59.56
3252	Parks Maintenance - Admin	\$87.63
3254	Parks Maintenance - Rio Salado	\$ 59.61
3255	North Park	\$50.54
3256	Parks Maintenance - RS CFD	\$60.84
3258	South Parks	\$49.38
3281	Diablo Stadium	\$77.64
3282	Diablo Stadium Maintenance	\$49.23
3741	Arts & Culture Admin	\$114.35
3761	Performing Arts Admin	\$67.94
3762	TCA Art Park	\$38.92
3763	TCA Facility Management	\$48.39
3781	Historical Museum	\$73.62
3785	Community Arts Engagement	\$65.13

Cost Center	Cost Center Description	Hourly Rate (\$)
Engineering & Transportation		
3121	Engineering - Administration	\$75.85
3122	Tech Services / Utilities	\$79.58
3123	CIP Design	\$ 111.39
3125	CIP Construction	\$77.44
3126	Energy Management	\$97.00
3813	HURF - Construction	\$57.62
3814	HURF - ROW Maintenance	\$56.46
3815	HURF - Graffiti Abatement	\$ 41.43
3821	HURF - Transportation - Admin	\$84.98
3822	HURF - Traffic Engineering	\$ 86.71
3823	HURF - Operations - Transportation	\$47.00
3824	HURF - Street Lights & Signals	\$122.07
3825	HURF - Signal Systems	\$79.23
3911	Transit - Transit Admin	\$79.27
3914	Transit - Transit Operations	\$68.35
3915	Transit - Transportation Center	\$61.41
3917	Transit - Bus Stop & Bikeway Maintenance	\$ 51.92
3921	Transit - Light Rail Operations	\$87.82
3922	Transit - Transportation Signal Systems	\$80.49
3923	Transit - Planning & Project Review	\$88.48
Financial Services		
1831	Accounting	\$70.68
1832	Tax & Licensing	\$70.51
1841	Finance: Customer Services	\$55.06
1851	Purchasing	\$71.35
1871	Facilities Services	\$64.82
1876	Custodial Services	\$36.74
2621	Risk Management	\$82.84
Fire		
2340	Emergency Services	\$63.84
2991	Ambulance	\$31.86
Human Resources		
1511	Human Resources - Admin	\$127.28
1512	Employment Services	\$78.39
1531	Employee Development	\$83.12
Education, Career + Family Svcs		
1612	Education	\$61.28
1616	Kid Zone	\$54.32
Community Health + Human Services		
2923	CARE 7	\$82.12
2926	Community Supervision Services	\$72.28
2928	Counseling Services	\$71.51

Cost Center	Cost Center Description	Hourly Rate (\$)
Information Technology		
1971	IT: Administration	\$92.55
1972	IT: Security Administration	\$117.86
1973	IT: GIS	\$111.86
1974	IT: Business Solutions	\$100.65
1975	IT: Project Office	\$113.70
1977	IT: Systems Administration	\$102.53
1976	IT: Training & Print Shop	\$58.41
1978	IT: Support Services	\$79.05
1979	IT: Network Engineering	\$92.83
Municipal Utilities		
3002	Water - Admin	\$113.03
3003	Water Warehouse	\$61.18
3004	Water Security	\$43.95
3007	WUD Tempe Town Lake Operations	\$89.65
3011	Water Quality - Admin	\$186.53
3012	Control Center Operations	\$123.31
3013	Johnny G. Martinez Plant	\$73.05
3014	South Tempe Water Plant	\$73.61
3021	Distribution & Collection - Admin	\$62.32
3024	Irrigation	\$45.71
3025	Water Engineering / GIS	\$83.88
3026	Environmental Services - Admin	\$122.13
3027	Environmental Services - Regulatory	\$74.07
3028	Environmental Services - Compliance	\$68.59
3029	Environmental Sampling & Monitoring	\$60.87
3041	Environmental Services - Laboratory	\$68.98
3051	Water Resources - Admin	\$121.39
3052	Water Conservation	\$60.26
3321	Fleet Management	\$81.52
3322	Fleet Services Maintenance	\$57.30
3331	Field Operations - Admin	\$ 111.72
3712	Solid Waste - Administration	\$77.45
3713	Solid Waste - Residential	\$57.03
3714	Solid Waste - Commercial	\$59.27
3715	Solid Waste - Roll-Off Tilt Frame	\$55.35
3716	Solid Waste - Support Services	\$62.45
3717	Solid Waste - Education & Community Outreach	\$74.51
3718	Solid Waste - Uncontained Refuse	\$55.16
Police		
2210	Office of the Chief	\$86.71
2231	Detention Bureau	\$57.17
2232	Communications Bureau	\$58.93
2233	Records Bureau	\$48.41

Cost Center	Cost Center Description	Hourly Rate (\$)
2235	Forensic Services Unit	\$64.67
2236	Crime Prevention Unit	\$87.89
2239	Homeland Security Unit	\$92.74
2241	Criminal Investigation Bureau	\$92.96
2242	Traffic Investigation Bureau	\$92.69
2243	Special Investigation Bureau	\$ 96.13
2247	Analytics Bureau	\$67.26
2248	Central City Bureau	\$88.33
2249	Specialized Services	\$105.82
2251	Professional Development Bureau	\$94.28
2256	Technical Services - Admin	\$82.72
2257	Property Unit	\$53.48
2259	Office of Management, Budget & Research	\$94.78
2271	Field Operations Admin	\$118.33
2272	Patrol	\$83.00
2279	Rio Park Ranger CFD	\$127.86
<i>Strategic Management & Diversity</i>		
1252	Strategic Management	\$133.76
<i>Diversity, Equity & Inclusion</i>		
1271	Diversity, Equity + Inclusion	\$99.08

Equipment Rates

Equipment Description	Rate per Hour	Rate per Day
Backhoe (Unit 318,346,347)	\$20.00	\$160.00
Skid Steer (Solid Waste Model)	\$30.00	\$240.00
Boom Truck (Unit 522)	\$22.00	\$176.00
Crane Truck (Unit 306,526)	\$23.00	\$184.00
Crash Truck, Flatbed (Unit 817)	\$23.00	\$184.00
Dump Truck (2 yard)	\$16.00	\$128.00
Grader-Road Const (Unit 131,132)	\$53.00	\$424.00
Graffiti Truck (Unit 844,873,1004, 1089)	\$38.00	\$304.00
Loader-Road Const (Unit 171)	\$41.00	\$328.00
Rear Loading Refuse Truck	\$54.00	\$432.00
Sewer Vac Truck (Unit 140,142,149,169)	\$60.00	\$480.00
Street Sweeper (Unit 201,231,405,406,407, 409)	\$54.00	\$432.00
Water Truck (Unit 490,491)	\$29.00	\$232.00
Backhoe (Unit 318,346,347)	\$20.00	\$160.00
Skid Steer (Solid Waste Model)	\$30.00	\$240.00
Boom Truck (Unit 522)	\$22.00	\$176.00
Crane Truck (Unit 306,526)	\$23.00	\$184.00
Crash Truck, Flatbed (Unit 817)	\$23.00	\$184.00

Return equipment with the same amount of fuel as when checked out. Rate includes routine maintenance and repairs.

Questions? Chris Espino, Fleet Analyst, (480) 350-8344.



Season 1 Summary and Season 2 Preview

June 29, 2023

To: Mayor and City Council

From: Nikki Ripley and Kris Baxter-Ging, Communication and Marketing Office

Through: Keith Burke, Deputy City Manager

Tempe This Week: the podcast launched this year. New episodes dropped every Thursday. The podcast can be found on tempe.gov/TempeThisWeek, Spotify, Amazon Music, Apple Podcasts, Alexa and more. The podcast was produced completely in-house by our team.

Goals

- Create a positive feeling about the City of Tempe, its programs, services, events and people through a high-energy, fun, brand-centric podcast.
- Help people feel connected to their city by giving them ways they can be involved and by introducing them to people like their Councilmembers with podcast interviews.

Season 1 highlights

- 14 episodes recorded from March 8 through May 25
- Among top 25% of podcasts in America by listenership, according to Buzzsprout
- Diverse array of locations and guests highlighting Tempe's unique brand
- Substantial positive feedback from our community members
- One in 10 listeners took action and entered our contest to win prizes large and small
- Podcast was designed to attract younger listeners – and it did

- Podcast attracted new people to our communication as some people found the podcast on their favorite podcast service, a space we hadn't been in before.

Tempe faces and places

During Season 1 we featured:

- All seven Tempe City Councilmembers
- 18 Tempe small businesses, several of which are BIPOC-owned
- 16 city staff members from many areas of expertise
- 13 Commission members, nonprofit leaders, artists and community partners.

Why people listened

To better understand what people were looking for in a podcast, we had a variety of micro-contests and one grand prize – an overnight stay at the Omni Tempe Hotel. Approximately 10% of all the people who listened entered our contests. One question they were asked was, “What would make this podcast better?” Here are some of the reactions:

People said really nice things about us ...

About 150 comments total from contest entries. Most of them were really, really nice.

“I love the podcast. They are great. I am new to the Tempe area as of March 25, 2023, when my husband and I relocated from Georgia. Listening to this podcast has been a great way for me to feel like I was part of the community and to learn about great things that are happening in the community. My goal is to become very active in the community and these podcasts are a great way for me to find out just where and how I can fit in.”

“I enjoy learning about what is new in my community. I usually prefer to read the emailed newsletters, but I subscribed to the podcast because of this incentive with the trivia - I didn't know Tempe had a podcast. I live in an amazing city! Thank you!!”

“I liked learning about how Councilmember Chin got involved in the community. It was also good to call out services that may not be well known, like for the feral cats.”

“Personally, I love the content so far. I am happy you are able to incorporate Tempe locals and Tempe favorites of mine, while learning about new places I have not heard about yet. Things change so dramatically around here. I was excited to hear about Word of Mouth.”

Benchmarking success

Buzzsprout, one of the biggest podcast hosts in the world, provides a benchmark for how many listeners podcasts tend to get. This is based on downloads per episode within the first seven days. As of June 21, Tempe This Week had more than 2,750 downloads for its 14 episodes. Source: thepodcasthost.com

- Top 1% of Podcasts > 5,097
- Top 10% of Podcasts > 443
- Top 25% of Podcasts > 112 – This is where Tempe This Week ranks

Looking ahead

Annual season dates

Most podcasts have 10-show seasons. This schedule keeps us close to that.

- Wednesday recordings from the end of August 2023 through approximately Nov. 10, 2023, finishing with a holiday extravaganza – 12 episodes
- Late January through mid-March 2024 – 10 to 11 episodes
- Beginning of April through Memorial Day 2024, eight or nine total episodes, finishing with the summer vacation spectacular.

Mayor and Council appearances

Mayor and Councilmembers are each to be featured on the podcast once each calendar year, with Mayor first, then Vice Mayor and then other Councilmembers in alphabetical order, if scheduling permits. During election years, the Council will be featured after the election. All Councilmembers were featured in 2023. We will next feature Tempe City Council during the August 2024 season.

Season 2 improvements

- Improved production with music and some pre-taped segments
- All episodes will be recorded on location
- Added videos tours of location sites
- Augmented webpage with more resources, such as library materials or musicians to try, featured guest URLs, video and photos

Season 2 Topics – starting Aug. 23

- Sun Devil Football Community Pep Rally potentially with coach, players, band and more
- Fall events preview – Tardeada, Oktoberfest, Ironman, etc.
- Tempe True Crime featuring Chief Ken McCoy
- Space: a Tempe Frontier – world class space exploration happening here!
- Tempe Jam – local musicians
- Hayden Flour Mill – then, now and future
- Tempe Fire Medical Rescue – innovations in saving lives with Greg Ruiz
- 30 years of service in Tempe – Tempe team members with more than 30 years of service
- A ride on the Tempe Streetcar – Tempe Transportation
- A day in the life of your trash
- Giving Episode featuring Tempe nonprofits
- Holiday Extravaganza with Santa, parades, art fest, Menorah-lighting and cookies!

All Season 1 episodes were promoted and we have new ideas for additional promotions of Season 2. When you as a Council share the city posts about podcast episodes, it helps to elevate the awareness of the podcast across the community. You as Councilmembers can play major roles in fostering listening and engagement, which increases community awareness of city services/facilities/initiatives and pride in our city.

We are very open to podcast feedback from the Mayor and Council at any point. Did you listen and how did you like it? What are your ideas for adjustments? What do you think of our Season 2 plans so far? Please reach out to Kris or Nikki with any thoughts.

Electric Bus Grant/ Electrification of Tempe- Owned Bus Fleet

Tempe Transportation/Transit staff is proud to share with the City Council the recent success in obtaining a Federal Transit Administration grant, in partnership with Valley Metro, for the specific purpose of advancing purchase and use of electric buses in the Tempe bus fleet and in the East Valley. The grant was applied for by our partners at Valley Metro, and Tempe staff coordinated with agencies like Arizona State University to provide support letters and technical expertise to this grant application.



Electric Bus Testing in Tempe

It was announced the week of June 19 that the “Low-No” (Low to No Emission Vehicles) grant submittal from Valley Metro was successful and was awarded \$13.3 million. The funding is through the Biden Administration Bipartisan Infrastructure Bill. This grant will be coordinated through Valley Metro as part of its contractual lead on the bus service in the East Valley. As such, other cities in this subregion will also benefit from the grant.



Electric Bus Testing in Tempe

As owners of our own 120 vehicle bus fleet and the East Valley Bus Operations and Maintenance facility, Tempe will have a key role in the roll out of this grant, and several of our buses will be retired to integrate the new electric buses.

It is important to note that this movement towards electric buses is in alignment with both the Transportation AND Sustainability team goals. 100% zero-emission technologies, including electrification of the Tempe vehicle fleet and all buses, is a key element of the Climate Action Plan Update. And, Transportation has long desired to

transition the bus fleet to electric as well, to ensure ever increasing focus on cleaner energy vehicles. Tempe owns the largest 100% alternatively-fueled bus fleet in the state. Currently the bus fleet is fueled by a combination of Liquefied and Compressed Natural Gas, which is technically clean burning, but is a fossil fuel, and so electrification is a next improved step.

Tempe staff have been pursuing electric bus technologies for many years, and has tested several different buses, on several routes in Tempe. This test work gave very helpful information that was used as the baseline for a lot of the information that was included in the grant to FTA.

Finally, the integration of electric buses into the Tempe fleet will require infrastructure changes at EVBOM to provide charging for buses. Tempe Transportation will continue to work with Sustainability to look at ways in which solar canopies and charging stations can be developed on site.

This grant and the work of electrification of fleet is a great example of how multiple departments and multiple City goals can be achieved in collaboration.



East Valley Bus Operations & Maintenance Facility Bus Yard and Charging Area Locations

*Eric Iwersen, (480) 350-8810, eric_iwersen@tempe.gov
Sam Stevenson, (480) 350-7765, sam_stevenson@tempe.gov*

MILL AVENUE AT 5TH STREET OVERHEAD BANNER UPDATE

BACKGROUND INFORMATION

As part of the March 23, 2023 Work Study Session agenda item #3a: Refresh Tempe – Downtown Tempe where staff and the Downtown Tempe Authority presented updates on the downtown infrastructure and promotional efforts related to Refresh Tempe, it was requested by the Council to seek more information about the possible creation of a digital banner in the same location as the old vinyl banner over Mill Ave, just north of 5th St (see image below). The old banner has recently been removed because the structural supports for it were not sound. The new digital banner

would be to include information, promotion of events, and the same public information that the vinyl banner had provided. Staff was requested to return to City Council with information regarding this idea.



Location and visual of former vinyl banner over Mill Ave

Staff and the DTA worked together to explore this idea with the “IKE” downtown digital information kiosks company as they are the contracted provider for digital media in the downtown. Currently 9 IKE kiosks exist and a total of 15 are planned for downtown Tempe. IKE kiosks exist in more than 20 cities in North America and the formula for funding these kiosks and other larger digital banners is similar; advertising revenues pay for the services and kiosks.

ISSUES AND FINANCING OF DIGITAL BANNER

The following points summarize the Mill Ave overhead digital banner proposal.

- Size and scale of the digital banner would have to be significantly larger than the former banner due to the weight and infrastructure needs of such a technology and to avoid the traffic signal nearby
- Impact to the sidewalk space would be significant, restricting the walkable and ADA space at the pedestrian level



- Significant costs related to install of a major structure over the roadway
- The former banner was controlled by the city and was relatively affordable to maintain. A digital banner would require more funding and ongoing operations and maintenance.
- A partnership with IKEA, like the existing partnership with the kiosks, would require 80% of the banner material to be advertising and the remaining 20% of content would be determined by the DTA and City, thereby losing the original intent of the banner

RECOMMENDATION

Because of the magnitude of size, the limited Tempe-specific content on the banner (20%), and some of the other issues, staff and the DTA are not recommending advancing this concept at this time. The pedestrian scale kiosks in existence today, however, will remain. Staff is prepared if Council seeks to introduce a new or different type of overhead structure, like the vinyl banner or a new artistic gateway treatment

Eric Iwersen, (480) 350-8810, eric_iwersen@tempe.gov

COMMUNITY SERVICES UPDATE

June 30, 2023

Ken McDonald and Rolling Hills Reopening July 1

Ken McDonald and Rolling Hills golf courses are closed June 29 and June 30 and will reopen on Saturday July 1 under the new management of CourseCo and Grass Clippings.

Grass Clippings at Rolling Hills will immediately begin the initial round of their \$13 million in planned improvements. Starting July 1, the pro shop will be shut down and all customer transactions, including check-in for tee times, will be operated from the restaurant.

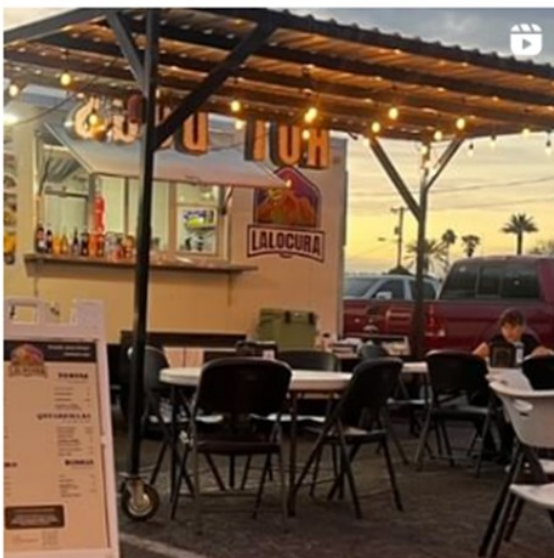
Beverages will continue to be sold from the restaurant bar and food will be available from LaLocura food truck located near 9 green.

The first phase of construction includes renovating the pro shop, driving range, installing lights for night golf and constructing the lookout bar. Grass Clippings will also begin construction of the new 9th hole green and add junior and forward tee boxes on all Par 4 holes.

Ken McDonald will also be undergoing some needed repairs, including structural repairs to the breezeway roof and renovating the HVAC system in the restaurant.

CourseCo will be managing all maintenance and operations at Ken McDonald. However, these two projects started as City CIP projects and will continue under City direction through completion.

Short-term customer impacts to the restaurant will be communicated once a project schedule has been finalized.



Find information about both courses using the links below



<https://www.playkenmcdonald.com/>

[Instagram](#)

[Facebook](#)



<https://grassclippings.com/pages/grass-clippings-at-rolling-hills-1>

[Instagram](#)

[YouTube](#)

PHOTO: LALOCURA FOOD TRUCK WILL PROVIDE FOOD AT ROLLING HILLS GOLF COURSE DURING CONSTRUCTION

COMMUNITY SERVICES UPDATE

June 30, 2023

TEMPE PUBLIC LIBRARY RECEIVES PRIDE AWARD

Tempe Public Library received the **Phoenix Pride Community Spirit Ally Award** at a ceremony on Sunday, June 25, at Tempe Center for the Arts.

The library works to be inclusive of all members of the community and encourage a sense of belonging for everyone. When Jessica Jupitus (Deputy Community Services Director—Library Services) joined Tempe Public Library at the end of 2021, she connected with Brick Road Coffee to co-host a new LGBTQ+ book club, Friends of Dorothy. They began hosting queer local author events. The library partnered with Equality AZ to provide space for their programming in the library including Civic Advocacy Jam and Ask Smart People Smart Questions.

Also present for the award ceremony were Dr. Velicia McMillan Humes, the city's Chief Diversity Officer, and Eileen May, manager of Tempe Center for the Arts.



PHOTO (Left to Right):

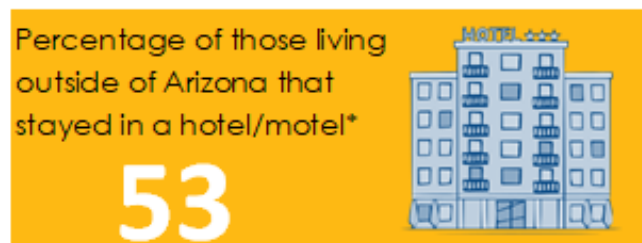
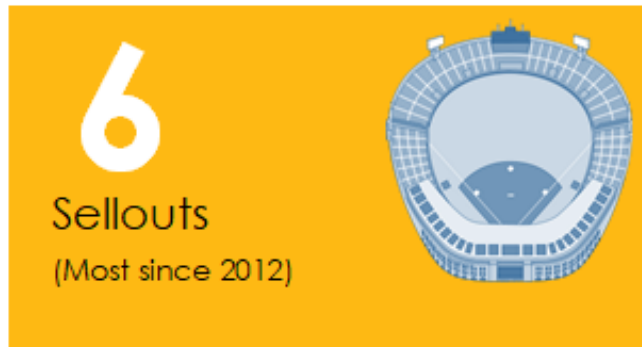
Dr. Velicia McMillan Humes, Jessica Jupitus, and Eileen May

COMMUNITY SERVICES UPDATE

June 30, 2023

TEMPE DIABLO STADIUM: SPRING TRAINING 2023

After three irregular and shortened spring training seasons, 2023 marked the first full spring training season since 2019. Although the spring training season returned to a full schedule of games at full capacity, 2023 also included the World Baseball Classic. The Angels had nine players represent several different countries in the 2023 World Baseball Classic. Even though many star players did not play in many of the spring training games, the overall attendance numbers were significantly higher than the past few years and had the most sellouts since 2012.



*based on survey of 1022 responses provided by Tremont Global

COMMUNITY SERVICES UPDATE

June 30, 2023

PARKS & DESERT PRESERVES: VOLUNTEER PROJECTS

Over the past 6 months, the Parks Preserves & Volunteers team with the help of the Parks Rio/Downtown team have put together 9 projects and worked with 213 volunteers from ASU, DHL, McClintock High School Honor Society, Mortenson, Holthouse HCVT and Break thru Beverage.

Projects have included planting 10 trees in **Parque de Soza** (formerly Hudson), 7 saguaros in **Papago Preserve**, removed a combined total of 4920 lbs of unwanted vegetation and about 500 lbs of trash and litter from the **Marina, Tempe Town Lake North, LoPiano, Papago Preserve & Park**, and several parks.

The Preserves & Volunteers Supervisor, Gabe Sabori, has also worked side by side with Keep Tempe Beautiful on 14 projects with over 1000 volunteers and have removed over 3500 lbs of trash and litter. **Palmer Park** was adopted by Penny Mac ACT for future projects.



COMMUNITY SERVICES UPDATE

June 30, 2023

Special Events Update: July 1—July 16

We will temporarily suspend the special event updates for the remainder of the summer, with the temperatures increasing, the number of special events decrease significantly.

The Special Events Task Force is grateful for City Council's continued support. Special events are embedded in the social fabric of our community, attracting more than a million visitors annually to our downtown area. Tempe is characterized by its diverse array of events which cultivate culture and celebrate community spirit while significantly contributing to our economy by strengthening relationships among our community members, visitors, and tourists with local businesses, charities, and merchants.



Date	Event	Location	Notation
7/4	Tempe 4 th of July Celebration	Tempe Diablo Stadium	Community Event



Tempe 4th of July Celebration: Join us at Tempe Diablo Stadium to celebrate the Independence Day and enjoy an evening of family-friendly fun. The 71st Annual Tempe 4th of July Celebration will feature bands playing all your favorite hits and so much more. Come down and enjoy some music, tasty eats, and fun festivities for the kids all leading up to the fireworks spectacular.

Tuesday, July 4: 5 – 10 p.m.

For additional information on activities, events, and things to do in and around Tempe, visit:

Tempe Arts and Culture ([Tempe.gov/arts](https://tempe.gov/arts)),

Downtown Tempe Authority ([Downtowntempe.com/explore](https://downtowntempe.com/explore)),

Tempe Tourism ([Tempetourism.com](https://tempetourism.com)), and

Tempe Public Library ([Tempepubliclibrary.org](https://tempepubliclibrary.org)).

