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Report

Date: 4/7/2022, Item No. 1

For Transmittal, Minutes of the Policy Session on March 29, 2022

Summary

This item transmits the Minutes of the Policy Session on March 29, 2022.

The Minutes are attached for review as **Attachment A**.

Responsible Department

This item is submitted by the City Manager's Office.

ATTACHMENT A



City of Phoenix

Meeting Location: City Council Chambers 200 W. Jefferson St. Phoenix. Arizona 85003

Minutes

City Council Policy Session

Tuesday, March 29, 2022

2:30 PM

phoenix.gov

CALL TO ORDER

The Phoenix City Council convened in Policy session on Tuesday, March 29, 2022 at 2:32 p.m. in the Council Chambers.

Present:

 9 - Councilwoman Yassamin Ansari, Councilman Sal DiCiccio, Councilmember Carlos Garcia, Councilwoman Betty Guardado, Councilwoman Ann O'Brien, Councilwoman Debra Stark, Councilman Jim Waring, Vice Mayor Laura Pastor, and Mayor Kate Gallego

COUNCIL INFORMATION AND FOLLOW-UP REQUESTS

Vice Mayor Pastor described her experiences at the National League of Cities Conference and recent community events. She shared information on a partnership between the Phoenix Police Department and the Arizona Humane Society to address animal abuse, recognized staff efforts to recruit lifeguards, and informed the public about upcoming events and available community resources.

Councilwoman Ansari wished Councilwoman Guardado a belated happy birthday and wished the public a happy Nowruz, sharing the success of the Nowruz event held by her office and thanking everyone for their support. She described the anticipated Electric Vehicle Roadmap public engagement process and the recent award received by the City's Cool Pavement Program.

Councilwoman Guardado informed the public about upcoming District 5 events, including a community meeting on the Grand Canalscape Project and the Maryvale Resource Fair.

Councilmember Garcia recognized success of the Nowruz event held by the District 7 office and described several recent community events in District 8. He

encouraged the public to attend the upcoming budget hearings and utilize the FundPHX tool.

Councilwoman O'Brien announced a future community meeting on the Metrocenter Redevelopment Project. She described her experiences at recent District 1 events and thanked community members, leaders, and organizations for their support in these events. In addition, she acknowledged National Vietnam War Veterans Day and indicated she would be attending the funeral of Vietnam Veteran Norman Coulter the following day.

Mayor Gallego echoed the belated birthday wishes to Councilwoman Guardado and wished Councilwoman Ansari a happy upcoming birthday. She recognized the lifetime contributions and recent passing of community leaders Glen Spencer and CJ Briggle. She also welcomed Jessica Mefford-Miller as the new Valley Metro Chief Executive Officer.

CONSENT ACTION

This item is scheduled to allow the City Council to act on the Mayor's recommendations on the Consent Agenda. There was no Consent Agenda for this meeting.

CALL FOR AN EXECUTIVE SESSION

A vote may be held to call an Executive Session for a future date.

REPORTS AND BUDGET UPDATES BY THE CITY MANAGER

This item is scheduled to allow the City Manager to provide brief informational reports on topics of interest to the City Council. The City Council may discuss these reports but no action will be taken.

INFORMATION AND DISCUSSION (ITEMS 1-2)

1 FY 2022-27 Preliminary Five-Year Capital Improvement Program

Discussion

Mayor Gallego introduced the item and recognized staff efforts to develop the Preliminary Capital Improvement Program and Trial Budget.

Budget and Research Director Amber Williamson introduced Budget and Research Deputy Director Chris Fazio.

Mr. Fazio described the Preliminary Capital Improvement Program for 2022 to 2027, including revenue sources for capital needs, notable investments within the plan, and next steps in the budget creation and adoption process.

Mayor Gallego opened the floor to Council questions and comments.

Vice Mayor Pastor asked if the Aviation and Water Services Departments were enterprise-funded.

Ms. Williamson confirmed they were.

Vice Mayor Pastor noted City Council had previously voted to increase the water rates to pay for necessary infrastructure and asked if water infrastructure was included in the five-year Capital Improvement Program. She also indicated additional infrastructure was needed in older neighborhoods.

City Manager Jeff Barton clarified that the infrastructure improvements that had driven the water rate increase were included in the proposed plan. He added that the existing rates would not cover all water infrastructure needs over the next five years, stating this may be discussed at a future meeting.

Vice Mayor Pastor asked if the projects proposed in the Preliminary Capital Improvement Program included those previously identified as a part of the water rate increase.

Mr. Barton confirmed these projects were included.

Mayor Gallego expressed the importance of water infrastructure during the Colorado River drought.

Councilman DiCiccio voiced his concerns about roadway safety issues and asked about the funding allocated for street lighting in the proposed Capital Improvement Program.

Mr. Fazio indicated the Preliminary Five-Year Capital Improvement Program included \$9.5 million for street lighting, with \$2.6 million allocated for 2023. He noted that additional funding may be used for street lighting as a part of other line items and projects in the Capital Improvement Program.

Councilman DiCiccio suggested a significant increase in capital funding for mid-block street lighting in Council Districts 4, 5, 7, and 8. He requested additional funding allocations for street improvements.

Vice Mayor Pastor echoed the concerns and suggestions expressed by Councilman DiCiccio regarding mid-block street lighting, referencing Central Avenue in District 4.

Councilman DiCiccio reiterated his support for these improvements.

Vice Mayor Pastor stated her understanding that the Street Transportation Department would be creating a street lighting asset map.

Street Transportation Director Kini Knudson noted the assessments being conducted on streetlights were for historic streetlights, as these specialty fixtures were not part of a previous conversion to light-emitting diode (LED) bulbs. He indicated the lights on Central Avenue were included in the assessment and replacement process.

Vice Mayor Pastor asked staff to conduct asset mapping of streetlights in the City.

Councilwoman Guardado thanked Councilman DiCiccio for his support of improved street lighting and described ongoing staff partnerships to improve lighting in District 5. She suggested a more comprehensive approach to street lighting with additional funding may be beneficial.

Councilwoman Stark expressed her support for improved street lighting. She requested staff work with the Maricopa County Department of Transportation to improve street standards in areas that may be annexed to the City, particularly in Districts 1, 2, and 7.

Councilman DiCiccio echoed Vice Mayor Pastor's request for street lighting asset mapping citywide to determine areas of need and Councilwoman Stark's request for staff to collaborate with Maricopa County staff. He reinforced his suggestion for a significant budgetary increase for street lighting to improve roadway safety.

Mayor Gallego expressed her support for a data-driven and safety-focused approach to street lighting and pursuing further collaboration with Maricopa County. She asked about energy efficiency improvements included in the Capital Improvement Program.

Ms. Williamson stated \$3 million was allocated next fiscal year for energy savings projects using a data-driven and multi-departmental approach to project identification and evaluation.

2 2022-23 City Manager's Trial Budget

Discussion

City Manager Jeff Barton introduced the item and described efforts to ensure fiscal responsibility while addressing community needs and Council priorities.

Budget and Research Director Amber Williamson explained the General Fund budget status and the state of economic uncertainty caused by the pandemic and ongoing war in Europe. She described proposed set-asides and funding additions to City Council priority areas using the projected General Fund surplus, as well as proposed additions for Non-General Fund programs.

Mayor Gallego opened the floor for public comment.

Anne Ender, representing Operation Blue Ribbon, spoke in support of the City Manager's Trial Budget and asked City Council to support public safety programs and technology.

Cynthia Graber spoke in support of the 19th Avenue Community Safety and Crime Prevention Program and the Santa Fe Springs Rehabilitation Program in the City Manager's Trial Budget.

Mayor Gallego closed public comment and opened the floor for Council comments and questions.

Councilwoman Stark commended the prudent approach to the Trial Budget reflecting Council and community priorities. She suggested the Gated Alley Pilot Program may be expanded in the next fiscal year, potentially through Block Watch Fund allocations. She also noted her support for the proposed additions to the Planning and Development Department.

Councilman Waring asked for additional information on the economic uncertainties facing the City and leading to the proposed cautious approach to spending in the next fiscal year.

Mr. Barton described the inverted yield curve as a predictor of economic recessions, the short-term impact on the local economy of one-time stimulus funding from the federal government, and the anticipated effect of inflation on sales tax revenues.

Ms. Williamson reiterated the predictive power of the inverted yield curve, the potential for an economic slowdown due to inflation and war in Europe, and anticipated budgetary needs in future years. She indicated the proposed budget additions also set realistic expectations for implementation, as many of the expected benefits from previous additions to the budget had not yet been realized due to the competitive labor market.

Councilman Waring expressed his support for this cautious approach and asked staff about their confidence in the Trial Budget.

Mr. Barton explained staff's goal was to prepare a realistic Trial Budget to withstand potential negative economic conditions and meet foreseeable budgetary needs.

Councilman Waring noted his support for additional funding for Phoenix Starfish Place, homelessness services, and public safety. He asked about ongoing efforts to recruit new police officers.

Assistant City Manager Lori Bays described efforts to enhance the recruitment, selection, and retention of City police officers and to improve staffing levels.

Councilman Waring expressed concern over the time to complete the classification and compensation study, indicating the importance of quickly improving police staffing levels. He voiced his support for additional funding for street lighting for roadway safety.

Councilwoman Guardado noted her support for the Cool Corridors and Cool Pavement Programs, Phoenix Starfish Place, homelessness services, immigrant and refugee support, and civilian additions to the Police Department. She thanked community members along 19th Avenue for their advocacy for public safety, transportation, and housing investments. Councilwoman Guardado indicated her support for the classification and compensation study and related set-asides. In addition, she noted the community interest in expanding the Gated Alley Pilot Program and thanked Councilman DiCiccio for his support in these efforts.

Councilwoman Ansari stated her excitement for additional funding for climate, sustainability, affordable housing, homelessness services, and refugee support programs in the City. She noted that some budget decisions may need to be delayed until the release of the Electric Vehicle Road Map. Councilwoman Ansari also echoed Councilwoman Stark's comments supporting the proposed improvements to the Planning and Development Department. She expressed her support for International Trade Program in the Community and Economic Development Department and for set-asides in the Trial Budget. She encouraged public involvement in the upcoming budget hearings.

Vice Mayor Pastor indicated her support for the Trial Budget's additions to historic preservation, arts and culture programs, and gated alleyways. She suggested the refugee and immigrant support services include programming for youth.

Councilman DiCiccio recognized the value of economic forecasting and cautious budget decisions. He expressed his support for additional

investments to improve police staffing levels, homelessness services, roadway safety, street lighting, and street maintenance.

Councilmember Garcia described the importance of public involvement in budget development. He suggested that various federal grant opportunities may be utilized to fund additional projects and encouraged members of the public to participate in budget hearings.

Councilwoman O'Brien echoed Councilmember Garcia's recognition of the value of public input in the budget process. She indicated her support for the cautious approach to the Trial Budget in light of economic uncertainty, additional investments to police officer compensation and staffing, an expansion of the Gated Alley Pilot Program, and enhanced homelessness services.

Mayor Gallego reiterated the Council's support for funding to affordable housing and homelessness services programs. She voiced her opposition to state legislation proposing to eliminate rental sales tax and asked for additional information on the potential impact of this legislation on the City.

Ms. Williamson noted this bill would reduce General Fund revenues by about \$35 million, which was about half of the anticipated General Fund surplus. She suggested the City would need to find ongoing revenue sources to offset the loss of this rental sales tax revenue.

Mr. Barton added that \$35 million was roughly equivalent to the Library Department's budget in the General Fund.

Mayor Gallego indicated the additional investments to homelessness services and public safety in the Trial Budget could be at risk because of the proposed state legislation.

Councilwoman O'Brien asked about the budgetary impact of the Governor's flat income tax being implemented faster than initially anticipated.

Ms. Williamson explained state shared income tax revenues lagged by

two years, and the referenced tax could increase the City's income tax revenue from \$350 million to \$386 million due to the associated urban revenue sharing percentage change from 15 percent to 18 percent. She noted staff would be monitoring any additional projections from the State Finance Advisory Committee.

Mayor Gallego expressed her support for affordable housing, homelessness services, climate action and sustainability, economic development, and innovation programs. She stated the importance of violence prevention and indicated President Biden proposed a federal budget with additional funding opportunities to address community violence and safety.

DISCUSSION AND POSSIBLE ACTION (ITEM 3)

3 City of Phoenix Heat Response Plan for Summer 2022

Discussion

Deputy City Manager Karen Peters introduced the item and the role of the Office of Heat Response and Mitigation in the City.

Office of Heat Response and Mitigation Director David Hondula described heat-associated death and injury statistics in Phoenix and explained the citywide planned heat response services and efforts for Summer 2022. He noted plans to improve situational awareness and real-time response to extreme heat conditions, public outreach efforts, public access to cool spaces and drinking water, and home environments safe from extreme heat.

Vice Mayor Pastor asked who determined the temperatures prescribed in the City's cooling ordinance.

Ms. Peters indicated that these temperatures were specified within the cooling ordinance.

Vice Mayor Pastor asked if these temperatures could be adjusted by the City Council.

Ms. Peters stated that they could.

Mr. Hondula thanked Vice Mayor Pastor for her feedback and described the Neighborhood Services Department activities to enforce the cooling ordinance. He noted staff would explore the suggested changes. He continued the presentation to explain additional efforts to promote cool and safe mobility and recreation, as well as safe working and educational environments during extreme heat.

Interim Human Services Deputy Director Scott Hall described heat response efforts at the Human Services Campus and an additional proposed shelter to assist in meeting the needs of unsheltered residents.

Mr. Hondula explained the City's goals to evaluate heat response impacts and opportunities for future investment in heat response efforts.

Deputy City Manager Gina Montes requested City Council approval of the 2022 Heat Response Plan, including the allocation of \$2.6 million in American Rescue Plan Act funding to support a new shelter.

Mayor Gallego opened the floor to public comment.

Eric Brickley, representing Feed Phoenix, expressed his support for the Heat Response Plan and asked if additional funding could be allocated to assist community organizations providing heat relief services.

Mayor Gallego opened the floor for Council comments and questions.

Vice Mayor Pastor asked how staff planned to collect health data to improve situational awareness in extreme heat events.

Mr. Hondula noted the county and the state collected data about heat-related hospital admissions, and the Phoenix Fire Department collected data on call-for-service types.

Vice Mayor Pastor asked how this data would be stored and communicated to service providers.

Mr. Hondula explained the Office of Heat Response and Mitigation was

responsible for data aggregation, synthetization, and communication.

Vice Mayor Pastor motioned to approve the item per the staff recommendation with additional funding for community organizations.

City Manager Jeff Barton indicated that additional funding could be allocated through the Trial Budget and American Rescue Plan Act funding decisions at future City Council meetings.

Vice Mayor Pastor asked if her motion for additional funding could be made at a future meeting date.

Mayor Gallego asked for clarification on Vice Mayor Pastor's motion.

Vice Mayor Pastor made a motion to approve the item per staff's recommendation. Councilwoman Ansari seconded the motion.

Councilmember Garcia indicated his support for a potential microgrant program for community organizations providing heat relief services and suggested efforts should remain flexible to respond to community needs throughout the summer. He expressed his excitement for the collaborative approach to the heat response plan, the sprung structure, and the proposed shelter. He noted additional public outreach and engagement may be needed in the area surrounding the shelter.

Councilwoman Ansari stated the importance of providing heat relief services to the increasing number of unsheltered people surrounding the Human Services Campus and expressed her support for the cross-departmental approach in the Heat Response Plan. She asked about the training that will be provided to staff assisting with heat-related calls.

Mr. Hondula described training plans for the 311 call center, public safety dispatchers, and first responder staff.

Councilwoman Ansari asked if the referenced departments would be prepared by May.

Mr. Hondula explained the City's goal was to have as many heat response programs as possible ready by May, indicating each program would be evaluated for potential improvements throughout the summer.

Councilwoman Ansari asked about signage communicating available heat relief services and how heat response efforts could be adjusted throughout the summer to meet community needs.

Mr. Hondula echoed the importance of improving signage and described efforts to ensure services remain flexible through the regional Cooling Center Working Group.

Councilwoman Ansari asked how the Heat Response Plan could be adapted as needed during implementation.

Mr. Hondula explained how services were modified throughout the previous summer to meet changing community needs and pandemic-related restrictions.

Mr. Hall described efforts to communicate and enhance heat response services near the Human Services Campus.

Councilwoman Ansari asked about the capacity of identified heat respite sites.

Mr. Hall provided additional detail on the services provided at heat respite sites.

Councilwoman Ansari suggested additional investments to support public access to drinking water, including a public water fountain audit. She also encouraged staff to collaborate with community organizations providing heat relief services, ensure adequate services will be available in the area surrounding the Human Services Campus, and pursue additional shelter opportunities.

Councilwoman Guardado commended Councilmember Garcia for his efforts to improve heat respite services in District 8. She expressed the importance of community engagement in the area surrounding the

proposed shelter, suggesting a model similar to the Community Advisory Committee for Project Haven. She voiced her support for the sprung structure, proposed shelter, and the programs within the Heat Response Plan.

Vice Mayor Pastor asked how heat response services would be targeted in areas of high heat-associated deaths.

Mr. Hondula explained how heat response services would adapt to areas of greater need.

Mr. Hall described the strategic approach to targeting heat relief services in areas of high heat-associated deaths and injuries.

Vice Mayor Pastor suggested staff expand the targeted areas.

Mr. Hondula indicated staff would adjust and expand outreach efforts as needed.

Councilwoman O'Brien asked how long the requested American Rescue Plan Act funding would cover shelter operations.

Ms. Montes noted the requested funding would cover shelter operations until October 2022, and additional funding may be requested during a later City Council meeting discussing American Rescue Plan Act funding distribution.

Mr. Barton stated that American Rescue Plan Act funding would not cover three years of operating expenses, and another revenue source may be necessary to cover these costs.

Councilwoman O'Brien asked for additional clarification.

Ms. Montes clarified that the requested \$2.6 million was intended for operating expenses until October.

Councilwoman O'Brien asked about the potential funding source for shelter operations after October.

Mr. Barton indicated American Rescue Plan Act funding could be utilized to cover the remainder of 2022 and 2023 operations, with General Fund and other funding opportunities potentially being used for future operations.

Councilwoman O'Brien asked what services would be covered by the requested \$2.6 million.

Mr. Hall described the collaborative funding strategy for the proposed shelter and planned services covered by the City's contribution.

Councilwoman O'Brien asked if case management services would be included.

Mr. Hall confirmed these services would be provided.

Councilwoman O'Brien asked how the services would be evaluated for success.

Mr. Hall indicated data would be submitted and analyzed monthly to evaluate performance.

Councilwoman O'Brien asked who would have access to the Homeless Management Information System.

Mr. Hall noted that homelessness service providers would input and access data through the Homeless Management Information System.

Councilwoman O'Brien expressed her support for monthly data analysis and program adaptation and asked how much data would be needed to understand the program's impacts and necessary changes.

Mr. Hall noted that three months of data would be needed to ascertain the program's progression.

Mayor Gallego voiced the importance of a comprehensive cross-departmental approach to heat response services. She expressed

her support of the Heat Response Plan, including the Cool Callers Volunteer Program, weatherization efforts, enhanced shade structures, and shelter services throughout the City. She also noted the value of midand long-term heat mitigation efforts and incorporating heat response into other infrastructure projects. She indicated the proposed shelter would be used in the short-term and echoed comments on the potential of a microgrant program to assist community organizations providing heat relief services.

This item was approved.

Yes: 9 - Councilwoman Ansari, Councilman DiCiccio,

Councilmember Garcia, Councilwoman Guardado,

Councilwoman O'Brien, Councilwoman Stark, Councilman Waring, Vice Mayor Pastor, and

Mayor Gallego

No: 0

ADJOURN

There being no further business to come before the Council, Mayor Gallego declared the meeting adjourned at 5:09 p.m.

For further information, please call the Management Intern, City Manager's Office, at 602-262-4449.



Report

Date: 4/7/2022, Item No. 2

Summary of Budget Comments, March 4 to March 30, 2022

This report transmits resident budget comments received by the Budget and Research Department between March 4 and March 30, 2022.

Summary

Each month staff provides a monthly report to City Council summarizing comments received on the budget directly to the Budget and Research Department via phone and email. Comments received are responded to by Budget and Research staff and/or the appropriate City department.

Virtual Community Budget Hearings are being held from Saturday, April 2, 2022 through Friday, April 15, 2022, to gather feedback on the City Manager's 2022-23 Proposed Trial Budget. Future General Information Packet reports will include a summary of community feedback, as well as minutes from the hearings, electronic and voicemail comments, FundPHX submissions, and social media statistics.

Summary of Community Feedback

Below is a summary of the comments received on the budget in February and March 2022.

Comments for additional funding/support of the budget:

- (48) in support of installing pickleball courts at city parks, including (46) comments for Desert Foothills Park in Ahwatukee, (1) for Roadrunner and Paradise Valley Parks, and (1) for G.R. Herberger Park.
- (12) in support of street enhancements for roadway safety, including (10) comments specifically calling for traffic calming measures citywide.
- (8) additional funding for Police and to hire more officers.
- (3) additional funding to make the Gated Alley Pilot Program permanent.
- (2) additional funding to plant more native shade trees.
- (2) additional funding for Parks and Recreation.
- (2) additional funding for affordable housing, including (1) for housing individuals experiencing homelessness.
- (2) additional funding to include 19th Avenue neighborhoods in the 27th Avenue

Date: 4/7/2022, **Item No.** 2

Corridor Safety Plan.

• (1) additional funding for community gardens and gardening education.

Comments for reduced funding/opposition of the budget:

- (2) reduced funding for Light Rail.
- (1) in opposition of increased funding for Police or in favor of reducing the Police budget.

General comments received:

- (2) promoted using electronic communication for the City Services bill to reduce costs associated with hard copy mail.
- (1) promoted rescinding tax-exempt status for churches.

Attachment A transmits a summary of the electronic and voicemail comments regarding the budget for March 4 through March 30, 2022.

Responsible Department

This item is submitted by City Manager Jeffrey Barton and the Budget and Research Department.

ATTACHMENT A



To: Jeffrey Barton Date: April 1, 2022

City Manager

From: Amber Williamson

Budget and Research Director

Subject: BUDGET COMMENTS SUMMARY MARCH 4 – MARCH 30, 2022

This report transmits a summary of the comments received in the Budget and Research e-mail inbox and voice mailbox regarding the budget from March 4 – March 30, 2022. In total, staff received and responded to 68 emails. No calls or voicemails with community budget feedback were received.

Virtual Community Budget Hearings will be held from Saturday, April 2, 2022 through Friday, April 15, 2022. Future General Information Packet reports will include a summary of community feedback, as well as minutes from the hearings, electronic and voicemail comments, FundPHX submissions, and social media statistics.

At <u>www.phoenix.gov/Budget</u>, residents can access the 2022-23 City Manager's Trial Budget, Virtual Community Budget Hearing Information, and other detailed budget information. Under Virtual Community Budget Hearings, residents can view the following:

- Information on how to participate in Virtual Community Budget Hearings
- Schedule of the Virtual Community Budget Hearings
- 2022-23 Budget Tabloid in English and Spanish
- FundPHX Budgeting Tool
- Budget Hearing presentation video
- Videos of completed Virtual Community Budget Hearings

VOICEMAIL, ELECTRONIC, AND WRITTEN BUDGET COMMENTS RESPONDED TO MARCH 4, 2022 – MARCH 30, 2022

Emails

- Shannon Richmond sent an email asking that surplus funds from the Police budget be used for technologies that can assist in solving murders and other crimes.
- 2. Robyn Bezanson sent an email opposing cuts to the Police budget and would like to see an increase in the Police budget.
- 3. Claudia Deley sent an email in support of adding funds to house the unsheltered instead of funding the Police department.
- 4. Carrie McNeish sent an email in support of building new pickleball courts at Desert Foothills Park in Ahwatukee and recommended resurfacing and repainting the underused tennis courts to accommodate tennis and pickleball if building new courts cannot be budgeted in FY 2022-23.
- 5. Bernice Volinsky sent an email in support of building new pickleball courts at Desert Foothills Park in Ahwatukee and recommended resurfacing and repainting the underused tennis courts to accommodate tennis and pickleball if building new courts cannot be budgeted in FY 2022-23.
- 6. Debbie Weigert sent an email in support of building new pickleball courts at Desert Foothills Park in Ahwatukee and recommended resurfacing and repainting the underused tennis courts to accommodate tennis and pickleball if building new courts cannot be budgeted in FY 2022-23.
- 7. Donna Lee Leeds sent an email in support of building new pickleball courts at Desert Foothills Park in Ahwatukee and recommended resurfacing and repainting the underused tennis courts to accommodate tennis and pickleball if building new courts cannot be budgeted in FY 2022-23.
- 8. Mark Benson sent an email in support of installing a light and crosswalk at the intersection of Marketplace and Desert Foothills Parkway in Ahwatukee to create a safe pedestrian crossing to Desert Foothills Park.
- Dalton Zingali sent an email in support of upgrading the basketball courts at Desert Foothills Park to include changing from double rim to single rim hoops and replacing or painting the backboards to include the bank shot box.
- 10. Moses Sanchez sent an email in support of installing sixteen pickleball courts and a parking lot at Desert Foothills Park in Ahwatukee.
- 11. Kathe Munyan sent an email in support of installing pickleball courts and a parking lot at Desert Foothills Park in Ahwatukee.

- 12. Nicole Koester sent an email in support of upgrading the existing tennis courts at Desert Foothills Park in Ahwatukee to include pickleball lines and nets.
- 13. George Lemley sent an email in support of installing pickleball courts and a parking lot at Desert Foothills Park in Ahwatukee.
- 14. Eileen Sloan sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 15. Judy Oelkers sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 16. Sande Thoune sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 17. Skylar Troupe sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 18. Cindy Mercardo sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 19. Bruce Cather sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 20. Connie Schneider sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 21. Destin Baron sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 22. Carrolette Winstead sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 23. Debbie Roos sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 24. Marie Shuttleworth sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 25. Deborah Stevens sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 26. Janice Malasek sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 27. Valerie Peters sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 28. Susan Burress sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.

- 29. Victoria Hart sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 30. Wendy Oliver sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 31. Meade Laney sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 32. Teresa Salazar sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 33. Tracy Ryan sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 34. Barry Skeens sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 35. Becky Skeens sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 36. Michelle May sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 37. Catherine Olvera sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 38. Man-Yun Chin sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 39. Christine Ahlstrand sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 40. Regina Schottmuller sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 41. Teresa Akrish sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 42. Teri Spiker sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 43. Gene Kochert sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 44. Johnny Byrd sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 45. Dawn Hansen sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.

- 46. Robert Blazek sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 47. Andrew Hansen sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 48. Sheryl Schweissinger sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 49. Lindsay Skiba sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 50. Sara Whitlock sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 51. Karen Maish sent an email in support of installing pickleball courts at Desert Foothills Park in Ahwatukee.
- 52. Nelson Strasser sent an email in support of installing pickleball courts at Herberger Park.
- 53. Mary Anne Curran sent an email in support of funding to update the restroom facilities and additional activity areas, such as pickleball courts, at Roadrunner Park and Paradise Valley Park.
- 54. Teri George sent an email opposing adding wish list items from the public in this year's budget and suggested splitting the city into smaller cities to gain a better connection with citizens.
- 55. Jennifer F. sent an email to support adding funds to add 19th Avenue to the 27th Avenue Community Safety and Crime Prevention Plan and increasing Public Works and Neighborhood Services budgets to make the Gated Alley Pilot Program a real and official program for Phoenix residents to address homeless encampments and criminal activity. She also requested the city code be updated to reflect current day challenges.
- 56. Kat Bur sent an email in support of adding funding to the 19th Avenue corridor along the light rail to make the area safer.
- 57. Crystal Ann sent an email in support of increasing the budget for the Gated Alley Program.
- 58. Mike C. sent an email in support of increasing the budget for the Gated Alley Program.
- 59. Alicia Tocco sent an email in support of adding funding to make the current Gated Alley Pilot Program into a city-wide program available to all residents to address homeless encampments and various criminal activity.
- 60. George & Rosemary Holusha sent an email in support of funds to restore Encanto Park by replanting trees, flowers, and flowering bushes.

- 61. Rick sent an email in support of creating additional community gardens and teaching residents how to grow their own food and become more sustainable.
- 62. Sally Kelen sent an email in support of banning the sale and removal of all nonnative palm trees in the City of Phoenix, as they do not provide shade and need to be watered regularly in high temperatures.
- 63. Richard Herman sent an email in support of removing all non-native palm trees and reallocating funds to plant more native trees that provide shade.
- 64. Theresa Harned sent an email in support of making housing infrastructure a city and county priority instead of using funds to supplement financial support to landlords, and requested funds be used to build affordable housing for those that make \$15 an hour or less.
- 65. Karen Batenic sent an email in support of stopping physical water bills from being mailed to residents who sign up for electronic bill pay to save the city money, postage, and paper waste.
- 66. Colleen Steppa sent an email in support of using funds to help with homeless resources, affordable drug treatment programs, affordable housing, and to expand the light rail and recycling programs to accommodate the growing population.
- 67. Dorothy Williams sent an email in support of rescinding churches' tax-exempt status.
- 68. Jeremy Schachter sent an email in support of adding traffic calming measures in the Willo District on 3rd and 5th Avenues similar to what has been installed in the Roosevelt District.

Respectfully submitted,

Kari Lambert Administrative Assistant I Marie Rabusa Management Assistant II



Report

Date: 4/7/2022, Item No. 3

Equity and Affordability - Status of City Services Bill Delinquencies, Outreach and Assistance Programs

This report provides information regarding delinquencies for City Services bills (water, sewer, solid waste and miscellaneous taxes and fees), outreach efforts made to date, as well as the various customer assistance programs that have been implemented by the City of Phoenix. This work is one element of a multi-faceted strategy to balance water affordability for residents and the need for stable revenues to assure funding for water quality and system reliability, the foundation of public health and economic vitality.

Summary

An update on the delinquencies for City Services bills (water, sewer, solid waste and miscellaneous taxes and fees) and the status of the customer assistance programs is provided in **Attachment A**.

The Water Services Department (WSD) ran several social media campaigns from January 2022 through April 4, 2022 to promote the American Rescue Plan Act (ARPA) Financial Assistance program. This outreach assisted the WSD to expend almost \$1.4 million dollars in ARPA assistance to City of Phoenix water customers to date. The campaigns were presented in both English and Spanish.

Responsible Department

This item is submitted by Deputy City Manager Karen Peters and the Water Services Department.

Attachment A



4/1/2022 Update – Part I: City Services Bill Delinquencies & Customer Assistance Programs by the Numbers

Total Dollars in Delinquency



\$8,704,184 Across 15,780 All Accounts Average Deferred Payment Arrangement (DPA) Balance: \$729

\$

Average Residential without DPA Outstanding Balance: \$418

Total Customer Assistance Provided

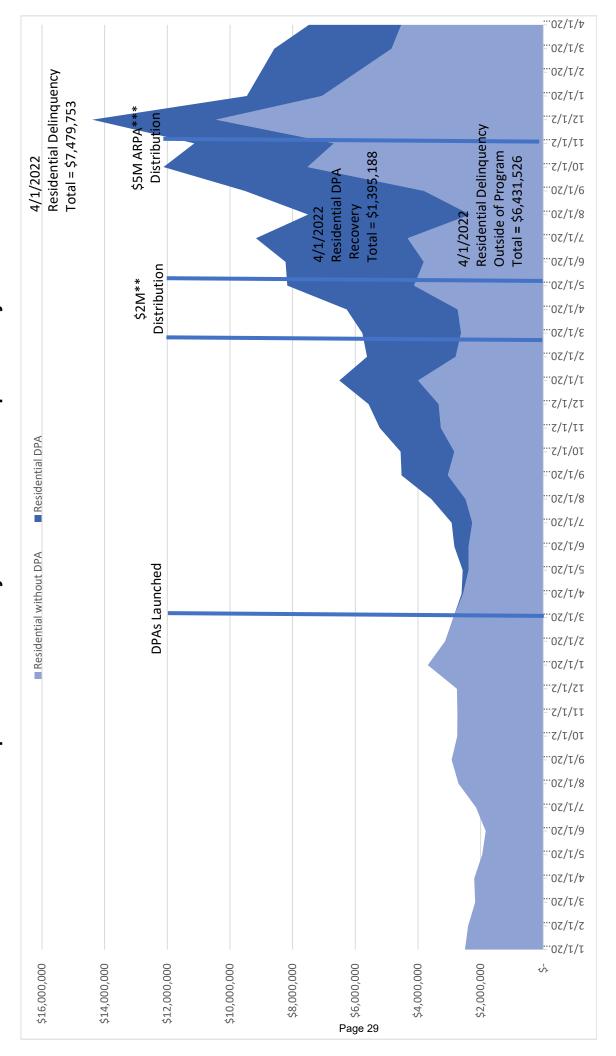


\$7,794,624 Disbursed to 19,240 Accounts

Date Ending	Customer Type	Residential with DPAs	Residential without DPAs	Commercial	Total
4/1/2022	# of Accounts (% Change from Previous Report)	4,043 (22%)	10,846 (-4%)	483 (18%)	15,780 (-4%)
(Current)	Total Delinquency (% Change from Previous Report)	\$2,947,177 (-5%)	\$4,532,576 (-15%)	\$680,632 (14%)	\$8,704,184 (-10%)
3/14/2022	# of Accounts	5,161	11,255	409	16,351
(Previous Report)	Total Delinquency	\$3,110,576	\$5,335,039	\$596,436	\$9,631,423

Customer Assistance Program Data	# of Accounts	% Change	Funding Distributed	% Change
Emergency Rental Assistance	1,313	3%	\$1,211,327	3%
Low Income Household Water Assistance Program	644	12%	\$164,948	7%
ARPA Deferred Payment Arrangement Recovery	2,315	21%	\$1,395,188	23%
FY 2021-22 (Traditional) Project Assist - \$700,000	1,486	14%	\$495,128	6%
Other Non-City Funded Assistance	5,248	7%	\$981,283	7%
State Homeowner Assistance Fund (HAF) Program	2,338	0%	\$700,000	0%
FY 2020-21 (Traditional) Project Assist*	41	0%	\$44,305	0%
C.A.R.E.S. Act Funded Residential Grants*	1,921	0%	\$576,300	0%
C.A.R.E.S. Act Funded Commercial Grants*	277	0%	\$226,145	0%
Council Funded Project Assist COVID-19 Credits*	3,657	0%	\$2,000,000	0%
Total Customers Assisted	19,240	2%	\$7,794,624	27%

*At this time, no additional funding is anticipated.



Notes:

**\$2 million in Council Funded Project Assist COVID-19 Credits began distribution on 12/17/2020 to residential customers. Funding was exhausted on 3/2/2021.



Report

Date: 4/7/2022, Item No. 4

Emergency Rental Assistance Program Weekly Update

This report provides information on the current status of the Emergency Rental Assistance Program.

Summary

The attached memo (**Attachment A**) provides current updates of the Emergency Rental Assistance Program.

Responsible Department

This item is submitted by Deputy City Manager Gina Montes and the Human Services Department.

Attachment A



To: Jeff Barton Date: April 7, 2022

City Manager

Through: Gina Montes

Deputy City Manager

From: Marchelle Franklin

Human Services Director

Subject: WEEKLY EMERGENCY RENTAL ASSISTANCE PROGRAM REPORT

This memo outlines current updates of the Emergency Rental Assistance (ERA) Program. Cumulative program expenditures total \$79,653,018 which includes ERA 1.0 and ERA 2.0 expenditures.

Please note for the data below, the week of March 28 included the Cesar Chavez Day holiday and an ERA Resource Fair was held on Saturday, April 2, and thus no ERA applications were processed on these days.

ERA Program Data

The table below shows ERA 2.0 Program data.

Time Period	Households Served	Residents Served	Ineligible Applications	Total Expenditures
Oct. 4 – March 12	4,343	11,784	55	\$30,062,438
March 14 – March 19	208	545	1	\$1,436,163
March 21 – March 26	185	440	2	\$1,271,914
March 28 – April 1	152	392	2	\$996,620
Total	4,888	13,161	60	\$33,767,135



Report

Date: 4/7/2022, Item No. 5

Weekly Community Spread Benchmark Report

This report provides City Council with an update regarding the status of the current community spread benchmark indicators tracked by the City of Phoenix related to COVID-19 as requested at the Dec. 2, 2020 Formal Meeting. This information represents the latest data released by the Maricopa County Department of Health Services on April 4, 2022 and the Centers for Disease Control and Prevention (CDC) on April 1, 2022.

Summary

The Maricopa County Department of Public Health has transitioned from Community Transmission Risk indicators to the new CDC Community Level reporting, which reports at the County level and are rated as Low, Medium or High. The County continues to provide weekly transmission data, including percent positivity and cases per 100,000 population, however the Low, Moderate, Substantial and High Transmission rankings are no longer being used to identify COVID-19 status at the city or county level.

The CDC Community Level is determined by the higher of the inpatient beds and new admissions indicators, based on the current level of new cases per 100,000 in the past 7 days. Please note that, in the event New Cases per 100,000 exceeds 200, the community level can be no lower than Medium, regardless of the inpatient bed use or hospital admissions per 100,000.

The attached memo (**Attachment A**) provides an indicator dashboard of the CDC Community Level for Maricopa County as well as additional data specific to the City of Phoenix. The current CDC Community Level for Maricopa County is **Low**.

Moving forward, the weekly report will follow CDC Community Level reporting.

Responsible Department

This item is submitted by Assistant City Manager Lori Bays.

Attachment A



To: Jeffrey Barton Date: April 7, 2022

City Manager

From: Lori Bays

Assistant City Manager

Subject: WEEKLY COMMUNITY SPREAD BENCHMARK REPORT

This memo communicates the community spread benchmarks within the City of Phoenix.

The Maricopa County Department of Public Health has transitioned from Community Transmission Risk indicators to the new CDC Community Level reporting, which reports at the County level. The County continues to provide weekly transmission data, including percent positivity and cases per 100,000 population, however the Low, Moderate, Substantial and High Transmission rankings are no longer being used to identify COVID-19 status at the city or county level.

The CDC Community Level is determined by the higher of the inpatient beds and new admissions indicators, based on the current level of new cases per 100,000 in the past 7 days. Please note that, in the event New Cases per 100,000 exceeds 200, the community level can be no lower than Medium, regardless of the inpatient bed use or hospital admissions per 100,000. For more information about the COVID-19 Community Levels go to the CDC COVID-19 Community Levels site.

Current CDC COVID-19 Community Level: Maricopa County			Low	
Reporting Week		Percentage of In-Patient Bed Usage	New Hospital Admissions per 100,000	New COVID Cases per 100,000
Most Current Week Reporting	March 31, 2022	1.9%	5.6	184.62

The chart below provides additional metrics **specific to the City of Phoenix** as reported by Maricopa County, which are the metrics we have been reporting on since September 2020:

Week of	Positivity Rate	New Cases/ 100,000
6-Sept-20	4.81%	29.27
30-Mar-22	5.23%	20.82
7-April-22	5.25%	23.62

Over the past week, the positivity rate increased slightly and new cases per 100,000 has increased.

Moving forward, the weekly report will follow CDC Community Level reporting:

COVID-19 Community Levels – Use the Highest Level that Applies to Your Community					
New COVID-19 Cases Per 100,000 people in the past 7 days	Indicators	Low	Medium	High	
	New COVID-19 admissions per 100,000 population (7-day total)	<10.0	10.0-19.9	≥20.0	
Fewer than 200	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	<10.0%	10.0-14.9%	≥15.0%	
	New COVID-19 admissions per 100,000 population (7-day total)	NA	<10.0	≥10.0	
200 or more	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	NA	<10.0%	≥10.0%	



Report

Date: 4/7/2022, **Item No.** 6

2022 State Legislative Report

This report provides information regarding the status of current state legislative issues.

Summary

April 6, 2022 is the 87th day of the Second Regular Session of the 55th Legislature. **Attachment A** provides current status of legislation as of April 5, 2022. To date, 1,764 bills have been introduced and staff continues to review these measures to identify potential impacts.

Responsible Department

This item is submitted by City Manager Jeffrey Barton and the Office of Government Relations.

Attachment A City Council Information April 5, 2022



The Office of Government Relations is guided by the principles endorsed by the Mayor and Council. Our highest priorities are maintaining and preserving **shared revenues**, opposing **unfunded mandates**, protecting **local authority**, and involvement in **water resource** matters.

This Legislative Report provides information about bills that could impact the City. April 6, 2022 is the 87th day of the Second Regular Session of the 55th Legislature. The information provided in this report regarding status of legislation is current as of April 5, 2022. To date, 1,764 bills have been introduced and staff continues to review these measures to identify potential impacts.

Please note the highlighted sections represent bills newly added to this report.

Bills that staff has identified as negatively impacting the City's core principles:

• HB 2001: Strike Everything Amendment (Rep. Cobb; Kingman) The bill preempts a municipality's ability to regulate an employee's labor productivity during working hours. A municipality may not waive or exclude any requirement of a local regulation based on a collective bargaining agreement. Cities are preempted in regulating businesses that enter into collective bargaining agreements.

HB 2001 failed to pass the House on February 23, 2022.

• HB 2081: Law Enforcement; Video Recordings; Redactions (Rep. Kavanagh; Fountain Hills) The bill requires that before a law enforcement agency releases a copy of a video recording from a law enforcement officer's body-worn camera to the public, the law enforcement agency must redact any portion of the video recording that shows the face or an identifiable body part of any person who appears in the video recording if the person is not the subject of a police investigation or enforcement action and the person was located in a private location or in a public location with an expectation of privacy, the person is a victim of or witness to a crime, or the person was in a state of undress and specified areas of the person's body were not covered. Does not apply to a person who provides the law enforcement agency with a written wavier to release the video recording without any

redactions or to any law enforcement officers who are on duty.

Staff is expressing opposition as it constitutes an unfunded mandate that would overburden the City's limited resources for this type of review.

HB 2081 passed the Senate Appropriations Committee on March 31, 2022.

• HB 2099: Municipalities; Membership Dues; Limit (Rep. Cobb; Kingman) The bill prohibits municipalities from paying dues to a membership organization in an amount that is greater than the municipality's total population multiplied by the "per capita membership" amount paid by the most populous municipality that is also a member of the membership organization.

Staff is expressing opposition as it would jeopardize the City's membership in numerous organizations of which it is a member.

HB 2099 was approved by the House Committee of the Whole on February 3, 2022.

HB 2107: Emergency Powers; Business Closure; Repeal (Rep. Biasiucci; Lake Havasu City)
 The list of emergency powers of mayors of incorporated municipalities and chairmen of county boards of supervisors is modified to remove the authority to order the closing of any business.

Staff is expressing opposition as it would usurp local authority.

HB 2107 was signed by the Governor on March 30, 2022.

 HB 2166: TPT; Use Tax; Exemption; Firearms (Rep. Kaiser; Phoenix) The list of exemptions from transaction privilege and use taxes is expanded to include sales of firearms and firearm safety equipment.

Staff is expressing opposition as it would usurp local authority and negatively impact shared revenue.

HB 2166 passed the Senate Appropriations Committee on March 31, 2022.

• HB 2237: Same Day Voter Registration; Prohibition (Rep. Hoffman; Queen Creek) An agency, department or division of Arizona or any person acting on its behalf, and any political subdivision or any person acting on its behalf are prohibited from registering a person to vote on an election day and deeming that person eligible to vote in that election. Any person who violates this section is guilty of a class 6 (lowest) felony. Does not apply to a person who properly registers to vote while temporarily absent from Arizona as provided for in statute.

Staff is expressing opposition as it would usurp local authority.

HB 2237 passed the Senate Rules Committee on March 15, 2022.

• HB 2241: Early Ballot Drop Off; Identification (Rep. Hoffman; Queen Creek) 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 identification for his/her own early 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 6 felony.

Staff is expressing opposition as it would usurp local authority.

HB 2241 passed the House Rules Committee on February 8, 2022.

• <u>HB 2282: Prohibition; Photo Radar (Rep. Fillmore; Apache Junction)</u> The bill prohibits state agencies and local authorities from using a photo enforcement system to identify violators of traffic control devices and speed regulations and repeals statutes authorizing and regulating photo enforcement.

Staff is expressing opposition as it would usurp local authority.

HB 2282 was referred to the House Transportation and Technology Committee on January 18, 2022.

• HB 2316: Misconduct Involving Weapons; Public Places (Rep. Kavanagh; Fountain Hills) The bill dictates that a person who possesses a valid concealed weapons permit is exempt from the prohibition on carrying a concealed weapon in a public establishment or at a public event. Some exceptions, including for public establishments or events that are a "secured facility" (defined), that are the licensed premises of a liquor licensee, that are a judicial department or law enforcement agency, that are an educational institution, and that are a vehicle or craft.

Staff is expressing opposition as it would complicate police response to certain scenarios.

HB 2316 passed the Senate Rules Committee on March 8, 2022.

• HB 2331: Area of Impact; Stored Water (Rep. Cook; Yuma) For the purpose of statute governing underground water storage, the definition of "area of impact" means the area within one mile of an existing or proposed underground storage facility where the water is or will be stored, the area within one mile of the groundwater replenishment district boundaries that has a permit for a groundwater savings facility where the water is or will be stored, or any other area shown to have been positively impacted by the storage of the water to be recovered.

Staff is expressing opposition as it would lessen the assured water supply.

HB 2331 was referred to the House Natural Resources, Energy and Water Committee on January 24, 2022.

• HB 2337: Deferred Retirement Optional Plan; Reinstatement (Rep. Payne; Peoria) The bill dictates that members of the Public Safety Personnel Retirement

System are no longer required to become members of PSPRS before January 1, 2012 in order to participate in the deferred retirement option plan (DROP). For a member who became a PSPRS member before January 1, 2012, the maximum period of participation in DROP is increased to 84 consecutive months, from 60 consecutive months. For a member who became a PSPRS member on or after January 1, 2012, the maximum period of participation in DROP is 60 consecutive months.

Staff is expressing opposition as it would usurp local authority and would amount to an unfunded mandate.

HB 2337 failed to pass the Senate on March 23, 2022.

• HB 2348: Disciplinary Appeal; Law Enforcement Officers (Rep. Payne; Peoria)

The bill dictates that any appeal of a disciplinary action by a law enforcement officer, after a hearing where the law enforcement officer and the employer have been equally allowed to fully participate in the hearing, the decision made by a hearing officer, administrative law judge or appeals board is the final administrative determination, subject to judicial review on whether such determination was clearly erroneous.

Staff is expressing opposition as it would usurp local authority.

HB 2348 was referred to the House Military Affairs and Public Safety Committee on January 20, 2022.

HB 2375: Urban Revenue Sharing; Public Safety (Rep. Cobb; Kingman)
 Beginning in FY2023-24, monies distributed to cities and towns from the Urban Revenue Sharing Fund must be used only for "public safety services" (defined as police, fire and emergency medical services). If a municipality uses any monies from the Urban Revenue Sharing Fund for a purpose other than public safety services in any fiscal year, the State Treasurer is required to withhold an amount equal to those expenditures for the following fiscal year.

Staff is expressing opposition as it would usurp local authority.

HB 2375 was withdrawn from the House Ways and Means Committee and further referred to the House Education Committee on February 7, 2022.

 HB 2453: Governmental Entities; Mask Requirement; Prohibition (Rep. Carter; San Tan Valley) A "governmental entity" (defined) is prohibited from imposing any requirement to wear a mask or face covering anywhere on the governmental entity's premises, except where long-standing workplace safety and infection control measures that are unrelated to COVID-19 may be required.

Staff is expressing opposition as it would usurp local authority.

HB 2453 passed the Senate Rules Committee on March 8, 2022.

• HB 2455: Incorporation; Urban Areas (Rep. Carter; San Tan Valley) All territory within one mile of an incorporated city or town is declared to be an urbanized area (which triggers requirements for approval from the incorporated city or town), instead of within six miles of an incorporated city or town with a population of 5,000 or more persons or within three miles of any incorporated city or town. Also, uninhabited, rural or farm lands may be included in an area to be incorporated if the lands have been platted and approved by the county board of supervisors for housing or commercial development before filing an incorporation petition, or if the current owner of the lands agrees to include the property and provides a written, notarized statement supporting the inclusion.

Staff is expressing opposition as it would negatively impact shared revenue.

HB 2455 passed the Senate on March 31, 2022. Ready for Governor.

• HB 2469: Early Ballots; Polling Place; Tabulation (Rep. Carroll; Sun City West)
A voter who has the envelope containing the completed early ballot and completed
affidavit, who appears at that voter's designated polling location on election day and
whose identification is verified and confirmed is allowed to remove the completed
ballot from the envelope and deposit the ballot in the ballot tabulation equipment in
that polling place and to discard the envelope and completed affidavit.

Staff is expressing opposition as it would usurp local authority.

HB 2469 was referred to the House Rules Committee on February 8, 2022.

HB 2473: Firearms; Contracts; Prohibited Practices (Rep. Carroll; Sun City West) A public entity is 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 includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, discriminate against a firearm entity.

Staff is expressing opposition as it would usurp local authority.

HB 2473 passed the Senate Appropriations Committee on March 30, 2022.

• HB 2478: Illegally Paid Public Monies; Recovery (Rep. Carroll; Sun City West)
The Attorney General is authorized to bring an action to recover illegally paid public
monies against a public official, employee or agent of the state, a political
subdivision, or a budget unit who knowingly uses public monies or other public
resources to organize, plan or execute any activity that impedes or prevents a public
school from operating for any period of time, unless the public official, employee or
agent is acting in good faith and in furtherance of the official's, employee's or agent's
official duties.

Staff is expressing opposition as it would usurp local authority.

HB 2478 was referred to the House Judiciary Committee on January 24, 2022.

 HB 2498: COVID-19; Vaccination Requirements; Prohibition (Rep. Hoffman; Queen Creek) The bill dictates that any government entity is prohibited from requiring a resident of Arizona to receive a vaccination for COVID-19 or any variant of COVID-19.

Staff is expressing opposition as it would usurp local authority.

HB 2498 passed the Senate Rules Committee on March 22, 2022.

• HB 2549: Stored Water; Certificates; Impact; Accounting (Rep. Griffin; Hereford) Various changes to statutes relating to groundwater and assured water supply. For an application for a certificate of assured water supply that proposes to use a water supply other than groundwater withdrawn from within the active management area in which the proposed development is located, the proposed source must be deemed consistent with the goal of the active management area. If the proposed source is stored water recovered within the area of impact, the proposed source must be deemed physically available and the Department of Water Resources is prohibited from reviewing the physical availability of other sources of water. If a municipal provider proposes to use a source of water in the same water system with Central Arizona Project water, surface water, effluent or groundwater, the proposed source does not affect the continuous, legal and physical availability of other supplies within the same municipal provider's water system.

Staff is expressing opposition as it would usurp local authority.

HB 2549 was retained on the House Committee of the Whole Calendar on February 24, 2022.

• HB 2579: Stored Water; Certificates; Impact; Accounting (Rep. Cook; Globe)
Counties and municipalities are prohibited from adopting any regulation that
prohibits or restricts the use of a "park model trailer" (defined) on a residential lot as
a primary single-family residence if all other statutory requirements have been met.

Staff is expressing opposition as it would usurp local authority.

HB 2579 passed the Senate Rules Committee on March 22, 2022.

• HB 2674: Municipal Zoning; By Right Housing (Rep. Kaiser; Phoenix) The bill dictates that by January 1, 2023, municipalities are required to allow a list of single-family dwelling unit construction in specified existing zoning districts. Municipalities cannot require a general plan amendment, use permit, or review by a board or commission for an applicant to construct these types of housing. If an applicant proposes any amendment to a zoning ordinance that changes a land use designation to residential or changes allowed density for the purpose of constructing single-family or multi-family housing units, the municipality is required to determine

whether the application is "administratively complete" (defined) within 30 days, and approve a complete application within 90 days, with some exceptions. Municipalities are prohibited from adopting or enforcing any ordinance or legal requirement related to residential housing "design elements" (defined). Some exceptions. Repeals the building code moratorium on residential and commercial buildings and allows municipalities to adopt residential building codes for the sole purpose of providing a reasonable level of safety and health. Declares that housing supply and affordability are matters of statewide concerns and prohibits municipalities from adopting residential construction and development standards that are more restrictive than state law. Appropriates \$89 million from the general fund in FY2022-23 to the Housing Trust Fund for low-income housing needs in Arizona. Severability clause.

Staff is expressing opposition as it would usurp local authority.

HB 2674 passed the Senate Rules Committee on March 29, 2022.

HB 2701: TPT; Prime Contracting; Tax Base (Rep. Biasiucci; Lake Havasu City)
Reduces the tax base for the prime contracting classification of transaction privilege
taxes to 60 percent of the gross proceeds of sales or gross income derived from the
business for contracts entered into July 1, 2023 through June 30, 2024, and to 55
percent of the gross proceeds of sales or gross income derived from the business
for contracts entered into July 1, 2024 and after, from 65 percent.

Staff is expressing opposition as it would reduce shared revenue.

HB 2701 was referred to the Senate Finance and Appropriations Committees on February 28, 2022.

• HB 2721: Law Enforcement Officers: AZPOST (Rep. Kavanagh; Fountain Hills) Any government entity must require a majority vote to investigate law enforcement officer misconduct, influence the conduct of or certify law enforcement officer misconduct investigations, recommend disciplinary actions for law enforcement misconduct, or impose discipline for law enforcement misconduct. The requirement for 2/3 of the voting members of a government entity that takes any of those actions relating to law enforcement officer misconduct to be Arizona Peace Officer Standards and Training Board certified law enforcement officers is expanded to apply to 2/3 of the "members, staff, employees, or seats" (defined) or any government committee, board, agency, department, office, or entity that takes those actions. [Capitol Reports Note: Some of the provisions in this legislation were originally signed into law as Laws 2021, chapter 403 (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.]

Staff is expressing opposition as it would usurp local authority and chill participation in boards fostering accountability in policing.

HB 2721 passed the Senate Rules Committee on March 22, 2022.

HB 2724: Assisted Living; Distance Requirement; Prohibition (Rep. Toma;
 Peoria) Counties and municipalities are prohibited from adopting a land use
 regulation, or general or specific plan provision, or impose as a condition for
 approving a building or use permit any requirement that restricts the distance
 between an existing assisted living home and a new assisted living home if all other
 standards and requirements established in statute have been met.

HB 2724 passed the Senate Rules Committee on March 22, 2022.

• HB 2748: Distribution; Safe and Smart Fund (Rep. Payne; Peoria) Modifies the distributions from the Smart and Safe Fund by adding the Department of Public Safety 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. 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.

Staff is expressing opposition as it would reduce City revenue.

HB 2748 failed to pass the House on reconsideration on March 2, 2022.

 HB 2749: TPT; Prime Contracting; Exemption; Alterations (Rep. Cobb; Kingman) 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, 2023.

Staff is expressing opposition as it would reduce shared revenue.

HB 2749 passed the Senate Appropriations Committee on March 31, 2022.

• HCR 2031: Employee Benefits; Compensation; State Preemption (Rep. Cobb; Kingman) The 2022 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 political subdivision.

Staff is expressing opposition as it would usurp local authority.

HCR 2031 passed the Senate Commerce Committee on March 24, 2022.

• SB 1008: Elections; Recount Margin (Sen. Ugenti-Rita; Scottsdale) The bill modifies the criteria that triggers an automatic election recount to require a recount when the margin between the two candidates receiving the greatest number of votes for a particular office, or between the number of votes cast for and against a measure or proposition, is less than or equal to 0.5 percent of the number of votes cast for both candidates or on the measure or proposition. Previously, the difference in votes that triggered an automatic recount was the lesser of 0.1 percent or either a specified number of votes based on the office to be filled or 200 votes for a measure or proposition.

Staff is expressing opposition to the bill as it places an undue burden on cities conducting an election by significantly increasing the number of automatic recounts required and constitutes an unfunded mandate by substantially increasing election costs.

SB 1008 passed the House Government and Elections Committee on March 24, 2022.

• SB 1035: Political Subdivisions; Lobbying; Prohibition (Sen. Rogers; Flagstaff)
"Political subdivisions" (defined as counties, municipalities, school districts, and special districts) and any person acting on behalf of a political subdivision are prohibited from entering into a contract with a person or entity for lobbying services and from spending monies for any person or entity to lobby on behalf of that political subdivision unless that person is directly employed by the political subdivision.

Staff is expressing opposition as it usurps local authority.

SB 1048: Emergency Powers; Business Closure; Repeal (Rep. Petersen;
 Gilbert) The list of emergency powers of mayors of incorporated municipalities and chairmen of county boards of supervisors is modified to remove the authority to order the closing of any business.

Staff is expressing opposition as it would usurp local authority.

SB 1048 was held in the House Military and Public Safety Committee on February 28, 2022.

• SB 1054: Election Equipment; Security; Legislative Review (Sen. Borrelli; Lake Havasu City) The bill requires that beginning in 2022 and every two years thereafter, the committee appointed by the Secretary of State to investigate and test the various types of vote recording or tabulating machines or devices is required to provide for a detailed review of election equipment security for counties with a population of more than 500,000 persons that focuses on the actual equipment, software and other systems used in the most recent general election. An additional person who is an expert in election equipment security must conduct or assist with the review. On completion, the review must be presented to the standing committees of the Legislature with jurisdiction over election issues at a public meeting that is held by August 1 following the general election.

Staff is expressing opposition as it would cause uncertainty in City-administered elections.

SB 1054 passed the Senate Rules Committee on February 8, 2022.

• SB 1056: Misplaced Ballots; Invalidity; Misdemeanor; Damages (Sen. Townsend; Apache Junction) Any ballots that are misplaced and not included in the initial tally at a polling place or counting center are invalid ballots and are prohibited from being counted. A person who misplaces a ballot is guilty of a class 2 (mid-level) misdemeanor. If a provisional or early ballot that identifies the voter on

the face of the affidavit or envelope is misplaced and cannot be counted, the voter of that misplaced ballot is authorized to file an action for damages against the governmental body administering the election for the loss of the right to vote.

Staff is expressing opposition as it would place an undue burden on local jurisdictions who administer elections.

SB 1056 failed to pass the Senate on March 14, 2022.

• SB 1116: Residential Rental Tax (Sen. Livingston; Peoria) The bill dictates that a city, town or other taxing jurisdiction may not levy a transaction privilege tax or similar tax or fee on the business of renting or leasing real property for residential purposes.

Staff is expression opposition as it would adversely impact City revenue and usurp local authority.

SB 1116 passed the House Ways and Means Committee on March 23, 2022.

• SB 1119: Electronic Ballot Images; Public Record (Sen. Borrelli; Lake Havasu City) The bill requires that after the polls are closed, the officer in charge of elections is required to make available to the public an online copy of any digital images of ballots in a manner that allows the images to be searchable by precinct but that precludes any alteration of the images. States that the digital images of the ballots are public records.

Staff is expressing opposition as it would usurp local authority and constitutes an unfunded mandate.

SB 1119 failed to pass the Senate on March 9, 2022.

SB 1120: Ballot Fraud Countermeasures; Paper; Ink (Sen. Borrelli; Lake Havasu City) The bill requires that any vendor that provides fraud countermeasures that are contained in and on the paper used for ballots is required to be ISO 27001 certified, ISO 17025 certified, or ISO 9001:2015 certified. Ballot fraud countermeasures are required to include all of a list of 19 specified features, including watermarking, secure holographic foil, security inks, invisible ultraviolet microtext, a serialized black QR code, and a paper receipt for the voter. The Legislature is required to appropriate sufficient monies to the State Treasurer to provide counties with the ballot paper prescribed by this legislation. Applies to the regular general election in 2022 and all elections held in 2024 and later. Appropriates an unspecified amount (blank in original) from the general fund in FY2022-23 to the State Treasurer for the purchase of antifraud ballot paper meeting these requirements.

Staff is expressing opposition as it would place an undue burden and excessive additional, unfunded costs on local jurisdictions that conduct elections.

SB 1120 was retained on the Senate Committee of the Whole Calendar on March 9, 2022.

• SB 1132: Municipal Bonds; Environmental Sustainability; (Sen. Rogers; Flagstaff) Municipalities are prohibited from issuing a "green bond" (defined) to finance or refinance a "green project" (defined as a project that contributes to environmental objectives, excluding pollution prevention and control).

Staff is expressing opposition as it would usurp local authority.

SB 1132 was referred to the Senate Natural Resources, Energy and Water Committee on January 11, 2022.

• SB 1133: Schools; Cities; All Mail Prohibited (Sen. Rogers; Flagstaff) The bill prohibits municipalities and school districts from conducting a mail ballot election.

Staff is expressing opposition as it would usurp local authority.

SB 1133 passed the Senate Government Committee on January 25, 2022.

• <u>SB 1134: Prohibition; Photo Radar (Sen. Rogers; Flagstaff)</u> The bill prohibits state agencies and local authorities from using a photo enforcement system to identify violators of traffic control devices and speed regulations and repeals statutes authorizing and regulating photo enforcement.

Staff is expressing opposition as it would usurp local authority.

SB 1134 failed to pass the Senate Transportation and Technology Committee on February 14, 2022.

• SB 1135: Procurement; Information Content Provider; Prohibition (Sen. Roger; Flagstaff) Beginning on the effective date of this legislation, the Director of the Department of Administration is required to terminate, and direct any state government unit or political subdivision to terminate, any existing contract with a contractor that is an information content provider or a qualified marketplace platform that has engaged in "targeted censorship" (defined as deleting or placing a disclaimer on any form of free speech that is unequally applied based on a particular belief that is expressed in any form). State government units and political subdivisions are prohibited from contracting with an information content provider or a qualified marketplace platform that has engaged in targeted censorship.

Staff is expressing opposition as it would usurp local authority.

SB 1135 was referred to the Senate Transportation and Technology Committee on January 11, 2022.

• <u>SB 1150: Electric Vehicles; Pilot Program; Appropriation (Sen. Steele; Tucson)</u>
The bill prohibits counties and municipalities 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 Department of Administration (DOA) 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. DOA is required to submit a report with specified information relating to the pilot program to the Governor and the Legislature by December 31, 2024. Appropriates \$500,000 from the general fund in FY2022-23 to DOA for the pilot program.

Staff is expressing opposition as it would usurp local authority.

SB 1150 passed the Senate Transportation and Technology Committee on January 25, 2022.

• SB 1171: Strike Everything Amendment; Treated Process Water (Sen. Gowan; Sierra Vista) The bill proposes to create a new legal classification of water called "Treated Process Water" that will allow food and beverage manufacturing companies to pump groundwater for manufacturing, and then use their industrial waste streams to generate long-term storage credits. This would allow food and beverage manufacturers to "opt out" of utility wastewater systems and pump out more groundwater from beneath established communities.

Staff is expressing opposition as it would negatively impact our water resources.

SB 1171 passed the House Rules Committee on March 29, 2022.

SB 1191: Strike Everything Amendment (Sen. Petersen; Gilbert) The bill
prohibits municipalities from requiring the use of or the preference for union labor as
a condition for approving any land use requirement. It prohibits municipalities from
providing a wage that is different than the amount required for other contracts of
industries.

Staff is expressing opposition as it would usurp local authority.

SB 1191 passed the House Rules Committee on March 29, 2022.

• SB 1198: Local Governments; Lobbying; Prohibition (Sen. Petersen; Gilbert)
The bill prohibits counties, municipalities, school districts, and other political subdivisions and any person acting on behalf of a political subdivision from entering into a contract with a person or entity for lobbying services and from spending monies for any person or entity to lobby on behalf of that political subdivision unless that person is directly employed by the political subdivision. If a county, municipality, school district or other political subdivision is a member of an organization of which the majority of the members are composed of political subdivisions or other public

bodies, no portion of membership dues may be authorized for lobbying activities.

Staff is expressing opposition as it would usurp local authority.

SB 1198 failed to pass the Senate on March 7, 2022.

• SB 1208: Income Tax; Credit; Labor Costs (Sen. Rogers; Flagstaff) The bill dictates that in tax years beginning with 2023, establishes an individual and corporate income tax credit for a portion of a taxpayer's increased hourly labor costs that results from paying a local minimum wage that is more than the state minimum wage. The amount of the credit is ten percent of the difference between the amount of hourly labor costs the employer actually paid to employees and the amount of hourly labor costs that the employer would have paid to employees if the local minimum wage was the same as the state minimum wage. Requirements to qualify for the credit are specified. If the allowable credit exceeds taxes due, the unused amount may be carried forward for up to five consecutive tax years. Each month the State Treasurer is required to withhold from a municipality an amount equal to 1/12 of the total amount of credits claimed for the prior taxable year by taxpayer's located in that municipality from the municipality's distribution of state shared revenues.

Staff is expressing opposition as it would usurp local authority.

SB 1208 was referred to the Senate Finance Committee on January 18, 2022.

• <u>SB 1268: PSPRS; Deferred Retirement Optional Plan (Sen. Livingston; Peoria)</u>
The bill dictates that for members of the Public Safety Personnel Retirement System in the deferred retirement option plan (DROP), the maximum period of participation in DROP is increased to 84 consecutive months, from 60 consecutive months.

Staff is expressing opposition as it would usurp local authority and would amount to an unfunded mandate.

SB 1268 passed the House Government and Elections Committee on March 24, 2022.

• SB 1274: Property Tax Levy; Calculation; Federal Monies (Sen. Leach; Tucson)
The bill dictates that for tax years 2022 and 2023, if a county's or municipality's proposed primary property tax levy is greater than the amount levied in the previous tax year and the county or municipality received monies from the American Rescue Plan Act of 2021, the county or municipality is required to use the monies to reduce the proposed primary property tax levy so that the does not exceed the previous year's amount, except for amounts attributable to new construction.

Staff is expressing opposition as it would reduce City General Fund revenue.

SB 1274 was assigned to the Senate Finance Committee on January 24, 2022.

• SB 1278: Labor Organization; Fiduciary Guidelines; Definition (Sen. Mesnard; Chandler) The bill changes the definition of labor organization to include any Taft-Hartley Act trust benefit plan that is jointly operated by a labor organization.

Staff is expressing opposition as it would usurp local authority.

SB 1278 passed the House Rules Committee on March 29, 2022.

• SB 1298: Government Mask Mandate; Prohibition (Sen. Rogers; Flagstaff) The bill dictates that a governmental entity is prohibited from imposing any requirement to wear a mask or face covering, except where long-standing workplace safety and infection control measures that are unrelated to COVID-19 may be required.

Staff is expressing opposition as it would usurp local authority.

SB 1298 passed the Senate on February 23, 2022. Ready for House.

• SB 1333: Neighborhood Occupantless Electric Vehicles (Sen. Pace; Mesa) The bill dictates that a "neighborhood occupantless electric vehicle" is authorized to be operated on a highway that has a posted speed limit of 45 miles per hour or less. Establishes restrictions for a neighborhood occupantless electric vehicle operating on a highway with a posted speed limit of more than 35 miles per hour but not exceeding 45 miles per hour, including travelling in the right-hand lane, allowing faster moving vehicles to pass, and displaying a slow-moving vehicle sign with a reflective surface.

Staff is expressing opposition as it would create roadway safety challenges.

SB 1333 passed the House Rules Committee on March 29, 2022.

• SB 1349: Budget Reduction; Law Enforcement; Hearing (Sen. Rogers; Flagstaff) The bill dictates that if the proposed budget of a county or municipality reduces funding to the operating budget of a law enforcement agency, the Attorney General or a member of the governing body who objects to the funding reduction is authorized to file a petition with the Governor's Regulator Review Council (GRRC). GRRC is required to schedule a hearing to consider the petition and may approved, amend, or modify the proposed law enforcement agency budget. The budget approved by GRRC is final. If the budget approved by GRRC decreases the law enforcement agency's budget by 10 percent or more over the previous year's budget, the county or municipality is required to notify the State Treasurer of the reduction, and the State Treasurer is required to withhold state shared revenues from the county or municipality in an amount equal to the reduction until notification that the reduction in the law enforcement agency's budget has been restored.

Staff is expressing opposition as it would usurp local authority.

SB 1349 was referred to the Senate Judiciary Committee on January 25, 2022.

• SB 1354: Law Enforcement Budget; Reduction; Prohibition (Sen. Rogers; Flagstaff) Counties and municipalities are prohibited from reducing the annual operating budget for a law enforcement agency by any amount below the previous year's budget.

Staff is expressing opposition as it would usurp local authority.

SB 1354 was referred to the Senate Judiciary Committee on January 25, 2022.

• SB 1446: Municipalities; Housing Developments; Repeal (Sen. Rogers; Flagstaff) The bill repeals statute declaring that it is a valid public purpose of municipalities to assist in providing for the acquisition, construction or rehabilitation of housing and related facilities in areas that are declared by the municipality to be housing development areas, and authorizing public monies to be spent for that purpose.

Staff is expressing opposition as it would usurp local authority.

SB 1446 was held in the Senate Government Committee on February 17, 2022.

Bills that staff has identified as beneficial to the City:

HB 2035: Appropriations; PSPRS; Corp; Unfunded Liability (Rep. Cook; Globe) The bill makes a supplemental appropriation from the general fund in FY2021-22 of a total of \$680.33 million to the Public Safety Personnel Retirement System (PSPRS) to be deposited in specified PSPRS and Corrections Officer Retirement Plan (CORP) group employer accounts for specified state employees to reduce the unfunded accrued liability. Makes a supplemental appropriation from the general fund in FY2021-22 of \$421.86 million to the Public Safety Personnel Retirement System (PSPRS) to be deposited in the employer account of the Department of Public Safety PSPRS group to reduce the unfunded accrued liability. Makes a supplemental appropriation from the general fund in FY2021-22 of \$474.58 million to the Public Safety Personnel Retirement System (PSPRS) to be deposited in the employer account of the Arizona Department of Corrections Corrections Officer Retirement Plan group to reduce the unfunded accrued liability. The PSPRS Board is required to account for these appropriations in the June 30, 2022 actuarial valuation of the PSPRS groups and CORP groups listed, and account for these appropriations when calculating the employee contribution rates and employer contribution rates during FY2023-24.

HB 2035 passed the Senate Appropriations Committee on March 9, 2022.

• HB 2051: Commission on the Arts; Continuation (Rep. Wilmeth; Scottsdale)
The states that the statutory life of the Arizona Commission on the Arts is extended eight years to July 1, 2030.

HB 2051 was signed by the Governor on March 29, 2022.

• HB 2129: Tech Correction; Health Services; Monitoring (Rep. Griffin; Hereford)
Minor change in Title 36 (Public Health and Safety) related to alcohol and drug
abuse. Apparent striker bus.

HB 2129 passed the Senate Natural Resources, Energy and Water Committee on March 10, 2022.

- HB 2193: State Law; Local Violations; Repeal (Rep. Powers Hannley; Tuscon)
 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.
- HB 2226: Fireworks; Use; Overnight Hours; Prohibition (Rep. Shah; Phoenix)
 The bill authorizes counties and municipalities to prohibit the use of permissible consumer fireworks between the hours of 11PM and 8AM, except for between 11PM of December 31 and 1AM on January 1 each year, and between 11PM of July 4 and 1AM on July 5 each year.

HB 2226 passed the Senate Rules Committee on March 8, 2022.

• <u>HB 2248: Failure to Return Vehicle; Repeal (Rep. Finchem; Oro Valley)</u> The bill repeals the crime of unlawful failure to return a motor vehicle subject to a security interest, a class 6 felony.

HB 2248 was referred to the Senate Transportation and Technology Committee on February 17, 2022.

• HB 2251: Lasers; Assault; Peace Officers; Penalty (Rep. Finchem; Oro Valley)
The list of circumstances that cause an assault to be classified as aggravated assault is expanded to include if the person commits the assault against a peace officer using a laser pointer or laser emitting device. Aggravated assault under this provision is a class 5 felony.

HB 2251 passed the Senate Rules Committee on March 29, 2022.

• HB 2318: Adopted Local Budgets; Amendments (Rep. Kavanagh; Fountain Hills) The bill dictates that County or municipal budget amendments do not have to be adopted by the third Monday in July each year.

HB 2318 was referred to the House Government and Elections Committee on January 19, 2022.

HB 2358: Sexual Assault Survivor Rights (Rep. Biasiucci; Lake Havasu City)
 Establishes a list of rights that a survivor of a sexual assault has, including the right to consult with a sexual assault victim advocate, the right to not be charged for a medical evidentiary examination, the right to a prompt analysis of sexual assault kit evidence, the right to be reasonably protected from the defendant, and the right to not be required to submit to a polygraph examination.

HB 2358 was held in the House Judiciary Committee on February 2, 2022.

• HB 2482: Municipality; General Plan; Adoption; Amendment (Rep. Martinez; Fountain Hills) The bill dictates that all major amendments to a municipality's general plan proposed for adoption by the governing body of a municipality must be presented at a public hearing within 12 months of when the proposal is made, instead of during the calendar year the proposal is made.

HB 2482 passed the Senate Rules Committee on March 8, 2022.

• HB 2539: Nonnative Species Eradication; Projects; Appropriation (Rep. John; Buckeye) The bill establishes a 7-member Gila River Nonnative Species Eradication Project Advisory Committee to review the progress of "nonnative vegetation invasive species eradication projects" (defined). The Committee is required to submit a report of its recommendations to the Governor and the Legislature by September 1 of each year, and self-repeals October 1, 2025. The Nonnative Vegetation Species Eradication Fund is renamed the Jackie Meck Nonnative Vegetation Species Eradication Fund. Appropriates \$15 million from the general fund in FY2022-23 to the Fund for nonnative vegetation invasive species eradication projects.

HB 2539 passed the Senate Appropriations Committee on March 30, 2022.

• HB 2598: Transportation Tax; Election; Maricopa County (Rep. Carroll; Sun City West) The bill dictates that, if approved by the voters at a countywide election and 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. The tax levied will be in effect for 25 years. The regional planning agency in the county is required to develop and adopt a multimodal transportation plan. The play must specify the distribution of net revenues from the tax levy, with at least 52.5 percent of revenues distributed to the Regional Area Road Fund and at least 32.5 percent of revenues to the Public Transportation Fund. No more than 14 percent of the revenues may be spent on light rail systems. Before November 8, 2022, the Maricopa County board of supervisors is required to call a countywide election for the extension and levy of a county transportation excise tax as authorized by this legislation. Establishes requirements for the ballot and publicity pamphlet for the election. Emergency clause.

HB 2598 passed the House Transportation Committee on February 10, 2022.

HB 2652: Used Catalytic Converters; Sales; Acquisitions (Rep. Espinoza;
 Tolleson) It is unlawful for a person to solicit or advertise a used catalytic converter,

and for a person to purchase, solicit, advertise, or sell any nonferrous parts of a catalytic converter except in connection with selling or installing a new catalytic converter. A person that purchases a used catalytic converter is required to electronically submit to the Department of Transportation a record of each used catalytic converter transaction.

HB 2652 passed the Senate Rules Committee on March 29, 2022.

• HB 2688: Appropriation; Aviation Fund; Matching Monies (Rep. Carroll; Sun City West) Appropriates \$20 million from the general fund in FY2022-23 to the State Aviation Fund for the Department of Transportation to use as matching monies to draw down federal infrastructure monies.

HB 2688 passed the Senate Appropriations Committee on March 16, 2022.

• SB 1192: Appropriation; Interstate 10; Vehicle Lanes (Sen. Livingston; Peoria)
The bill makes a supplemental appropriation in FY2021-22 of \$59.6 million from the general fund in FY2022-23 to the Department of Transportation to design and construct one additional eastbound and one additional westbound vehicle lane, separated by a lighted median, on Interstate 10 between State Route 85 and Citrus Road.

SB 1192 passed the House Appropriations Committee on March 17, 2022.

• SB 1193: Appropriation; Loop 101; Screen Wall (Sen. Boyer; Phoenix) The bill appropriates \$7.25 million from the general fund in FY2022-23 to the Department of Transportation to design and construct a screen wall on the eastbound portion of Loop 101 in the vicinity of Sixteenth Street.

SB 1193 passed the Senate Appropriations Committee on March 24, 2022.

• SB 1210: Mentally III; Transportation; Evaluation; Treatment (Sen. Barto; Phoenix) The bill states that If the court, an admitting officer of an evaluation agency, or an evaluation agency is allowed to authorize or issue an order for the apprehension and transportation of a proposed patient by a peace officer, then the court, officer, or agency is allowed to authorize the apprehension and transportation by an "authorized transporter" (defined as an ambulance company or transportation provider authorized to provide safe behavioral health transportation). Establishes limits on civil liability for the apprehension or transportation, which do not apply to a person who acts with gross negligence. Establishes a 13-member Study Committee on Alternative Behavioral Health Transportation to research and make recommendations for the implementation of and the use of alternative behavioral health transportation providers for individuals involved in mental health treatment or evaluation processes, as an alternative to transportation by peace officers. 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.

SB 1210 passed the House Rules Committee on March 29, 2022.

• SB 1238: State Lands; Appraisals; Leases; Rights-of-Way (Sen. Kerr; Buckeye)
The bill dictates that the State Land Department is required to reappraise property if
the Board of Appeals' approval of the lease or sale occurred more than 240 days,
increased from 180 days, before an auction. Approval of a lease for commercial
purposes from the Board of Appeals is required only if the lease is for a term longer
than ten years.

SB 1238 was signed by the Governor on March 18, 2022.

• SB 1270: State Parks; Lottery; Heritage Fund (Sen. Shope; Coolidge) The bill states that beginning in FY2023-24, of the monies remaining in the State Lottery Fund each fiscal year after a list of statutory appropriations and deposits, \$3 million must be deposited in the Arizona State Parks Heritage Fund. As session law, of the monies remaining in the State Lottery Fund after the statutory appropriations and deposits, \$1 million in FY2022-23 and \$2 million in FY2023-24 are appropriated from the State Lottery Fund to the Arizona State Parks Heritage Fund.

SB 1270 passed the House Appropriations Committee on March 17, 2022.

• SB 1356: Transportation Tax; Election; Maricopa County (Rep. Carroll; Sun City West) The bill dictates that, if approved by the voters at a countywide election and 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. The tax levied will be in effect for 25 years. The regional planning agency in the county is required to develop and adopt a multimodal transportation plan. The play must specify the distribution of net revenues from the tax levy, with at least 52.5 percent of revenues distributed to the Regional Area Road Fund and at least 32.5 percent of revenues to the Public Transportation Fund. No more than 14 percent of the revenues may be spent on light rail systems. Before November 8, 2022, the Maricopa County board of supervisors is required to call a countywide election for the extension and levy of a county transportation excise tax as authorized by this legislation. Establishes requirements for the ballot and publicity pamphlet for the election. Emergency clause.

SB 1356 passed the House Transportation Committee on March 24, 2022.

• SB 1592: Governor's Declaration; Fiscal Impact Analysis (Sen. Gray; Sun City) In any year in which the Governor has 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 an emergency declaration and the year following that declaration at least equaled the amount of distributions by the state. Retroactive to January 1, 2020.

SB 1592 passed the House Rules Committee on March 29, 2022.

• SB 1708: Motion Picture Production; Tax Credits (Sen Gowan; Sierra Vista) For tax years beginning with 2023, establishes an individual and corporate income tax credit against production costs paid by a motion picture production company in Arizona that are subject to Arizona taxes and that are directly attributable to a motion picture production. The amount of the credit is a percentage of the qualified production costs as approved by the Arizona Commerce Authority, based on the total amount spent by the production company. Establishes requirements for a motion picture production company to qualify for the credit. The maximum aggregate amount of tax credits in any calendar year is \$150 million. The Authority is required to implement an Arizona Motion Picture Production Program and certify motion picture production companies that produce one or more motion pictures in Arizona for the purpose of the tax credits. Establishes requirements for a production company to qualify for the Program.

SB 1708 passed the House Appropriations Committee on March 24, 2022.

Bills staff are monitoring:

- HB 2020: Vaccination Mandates; Exemptions (Rep. Kaiser; Phoenix) The bill dictates that a person is eligible for an exemption from any vaccination requirement for COVID-19 or any variant of COVID-19 that is being enforced in the state of Arizona if the person can produce documented test results that demonstrate the person has antibodies to COVID-19 or any variant of COVID-19, a positive test for COVID-19 or any variant of COVID-19, or a positive T-cell immune response to COVID-19 or any variant of COVID-19. Also repeals statute prohibiting vaccine passports or vaccine requirements, which was deemed unconstitutional by the Arizona Supreme Court in Arizona School Boards Association et al v. State of Arizona.
- HB 2021: Drug Offenses; Homicide; Sentencing (Rep. Nguyen; Prescott Valley)
 The bill establishes the crime of drug trafficking homicide, a class 1 (highest) felony, for transferring a dangerous drug or narcotic drug and the injection, inhalation, absorption or ingestion of the drug causes another person's death or was a contributing cause of the other person's death. A person convicted of drug trafficking homicide must be sentenced to a minimum sentence of 10 calendar years, with a presumptive sentence of 16 calendar years and a maximum sentence of 25 calendar years. A person with a previous conviction of drug trafficking homicide or a class 2 (second highest) or class 3 (upper mid-level) felony involving a dangerous offense must be sentenced to a minimum sentence of 15 calendar years, with a presumptive sentence of 20 calendar years and a maximum sentence of 29 calendar years. Drug trafficking homicide is added to the definition of "serious offense" and "violent or aggravated felony" for sentencing purposes, and to the definition of "dangerous crime against children" if committed against a minor who is under 15 years of age.

HB 2021 was retained on the House Committee of the Whole Calendar on February 17, 2022.

- HB 2029: Vaccinations; Evidence of Immunity; Prohibitions (Rep. Blackman; Snowflake) The bill dictates that the state, its "governmental entities," and its "business affiliations" (both defined) are prohibited from requiring any person to receive a vaccination for COVID-19 or any variant of COVID-19 or to possess a COVID-19 immunity passport or other evidence certifying vaccination or immunity status, and are prohibited from discriminating against any person based on not receiving a vaccination for COVID-19 or any variant of COVID-19 or to possess a COVID-19 immunity passport or other evidence certifying vaccination or immunity status. The state and its governmental entities are prohibited from entering into a contract or giving a loan or grant of taxpayer monies to a business affiliation that requires a person to receive a vaccination for COVID-19 or any variant of COVID-19 or to possess a COVID-19 immunity passport or other evidence certifying vaccination or immunity status. A business affiliation that violates these requirements materially breaches its contract with the state or a governmental entity, rendering the contract voidable. Does not apply to health care institutions that are treating patients with COVID-19 or any variant of COVID-19 and that determine that a "direct threat" (defined) exists that cannot be eliminated or reduced by reasonable accommodation. Factors that must be considered to determine a direct threat are listed.
- HB 2037: Expenditures; Authority; Water; Wastewater (Rep. Cook; Globe) The bill dictates that County boards of supervisors are authorized to appropriate and spend public monies for and in connection with participating in water reuse and recycling programs or regional water recharge projects, and purchasing water rights to demonstrate an assured water supply. County flood control district boards of directors are authorized to cooperate and join with private water and wastewater utilities that engage in underground water storage and recovery projects.

HB 2037 passed the Senate Rules Committee on March 22, 2022.

• HB 2043: Employer Liability; COVID-19 Vaccination Requirement (Rep. Nguyen; Prescott Valley) The bill dictates that 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 \$500,000, whichever is greater, and may also recover exemplary damages. These rights supplement any other rights and remedies provided by law.

HB 2043 was retained on the House Committee of the Whole Calendar on February 24, 2022.

• HB 2045: TPT; Additional Rate; Online Lodging (Rep. Salman; Tempe) The bill Levies an additional transaction privilege tax on every person engaging or continuing in the online lodging marketplace classification of 16.5 percent of the tax base. The Department of Revenue is required to separately account for the revenues collected from the additional tax rate and the monies must be deposited in the Housing Trust

Fund. 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.

• HB 2055: Harquahala Non-Expansion Area; Groundwater Transportation (Rep. Griffin; Hereford) A public service corporation that is regulated by the Corporation Commission, that holds a certificate of convenience and necessity for water service in an initial active management area, and that owns land eligible to be irrigated in the Harquahala irrigation non-expansion area is added to the list of entities that are authorized to withdraw groundwater from the land for transportation to an initial active management area for its own use or use by the Arizona Water Banking Authority if a list of specified conditions are met.

HB 2055 passed the Senate Rules Committee on March 22, 2022.

HB 2056: Fifth Management Period; Extension (Rep. Griffin; Hereford)
 The bill dictates that the end of the fifth management period for active management areas is extended ten years to 2035. The deadline for all persons notified pursuant to statute to comply with the applicable irrigation water duty or conservation requirements for the fifth management period is also extended ten years to January 1, 2035.

HB 2056 was referred to the House Natural Resources, Energy and Water Committee on January 12, 2022.

• HB 2057: Water Supply Development Fund; Revisions (Rep. Griffin; Hereford) The bill dictates monies in the Water Supply Development Revolving Fund may be used for providing technical assistance to water providers for water supply development projects. Increases the maximum amount of a single Water Infrastructure Finance Authority grant to water providers for water supply development projects to \$250,000, from \$100,000.

HB 2057 was signed by the Governor on March 25, 2022.

- HB 2069: Vacation Rentals; Short-Term Rentals; Repeal (Rep. Blackman; Snowflake) The bill repeals statute that prohibits municipalities and counties from prohibiting vacation rentals or short-term rentals and that restricts the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals.
- HB 2070: Open Meetings; Capacity; Posting; Violation (Rep. Kavanagh;
 Fountain Hills) 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. A head of a public body that violates this
 requirement is liable for a civil penalty as provided in statute for open meeting law
 violations.

HB 2070 failed to pass the Senate on March 23, 2022.

HB 2125: Electronic Smoking Devices; Retail Licensing (Rep. Udall; Mesa) The bill makes it unlawful for a person to sell, give or furnish a tobacco product to a person who is under the minimum age of sale for tobacco products as set by the Federal Food, Drug, and Cosmetic Act, instead of for a person to sell or furnish tobacco products to minors. For the purposes this prohibition and statutes regulating tobacco sales, the definition of "tobacco products" is expanded to include any product containing, made of or derived from tobacco or nicotine and that is intended for human consumption, and to include an "electronic smoking device" (defined) and any substance that may be aerosolized or vaporized by the device, whether or not it contains nicotine, and any component, part, or accessory that is used in the consumption of these products. Before distributing any tobacco product, a retail tobacco vendor or the vendor's representative or employee is required to verify that the purchaser is at least the minimum age of sale for tobacco products as set by the Federal Food, Drug, and Cosmetic Act, Establishes civil penalties for violations. The Department of Health Services (DHS) is required to conduct at least two unannounced compliance checks on a retail tobacco vendor annually. Beginning January 1, 2024, a retail tobacco vendor is prohibited from distributing tobacco products in Arizona without a valid tobacco retail sales license from DHS.

HB 2125 failed to pass the House on March 3, 2022.

HB 2126: Hazardous Waste Program Fees (Rep. Griffin; Hereford) The bill
dictates that Department of Environmental Quality rules establishing various fees for
the hazardous waste program are no longer required to be reviewed by the Joint
Legislative Budget Committee. Deletes the prohibition on those fees increasing
without specific statutory authority for the increase.

HB 2126 was signed by the Governor on March 30, 2022.

• HB 2160: Wrongful Arrest; Record Clearance (Rep. Chavez; Phoenix) If a law enforcement agency determines that a person has been wrongfully arrested or charged with a crime, the agency is required to notify the person of the right to file a petition in the superior court for entry on all records of a notation that the person has been cleared. The clerk of the court is prohibited from imposing a fee for filing the petition. A person whose record is cleared is authorized to deny that the arrest or charge ever occurred.

HB 2160 was referred to the Senate Judiciary Committee on February 28, 2022.

• HB 2162: Open Meeting Law; Violations; Penalty (Rep. Kaiser; Phoenix) The bill increases the civil penalties the court is authorized to impose for violations of open meeting law to up to \$500 for a first offense and up to \$10,000 for a second or subsequent offense, instead of up to \$500 for a second offense and up to \$2,500 for a third or subsequent offense. In addition to or in lieu of the civil penalties, the court is authorized to require a member of the public body to attend training on public meetings as directed by the Attorney General or the Ombudsman-Citizens Aide. Open meeting law violations may be committed recklessly in addition to knowingly.

HB 2162 was referred to the House Government and Elections Committee on January 18, 2022.

• HB 2198: Employee Termination; COVID-19 Vaccine; Compensation (Rep. Kaiser; Phoenix) The bill dictates that an employee who is terminated for not receiving a COVID-19 vaccine as a condition of employment must receive either severance compensation paid by an employer in the amount of the employee's annual salary in one lump sum or installment payments over 12 months, or reemployment with the employer at the same or similar position held on the date the employee was terminated and a reasonable accommodation provided by the employer to the employee. Retroactive to December 1, 2021.

HB 2198 was approved by the House Committee of the Whole on February 28, 2022.

- HB 2207: Online Home Sharing; Repeal (Rep. Butler; Phoenix) The bill 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. Repeals the online lodging marketplace transaction privilege tax classification, and the requirement for online lodging marketplaces to register with the Department of Revenue for payment of transaction privilege taxes on online lodging transactions. Repeals the requirement for online lodging operators to have a current transaction privilege tax license and related civil penalties for noncompliance. Repeals the Joint Legislative Study Committee on Transient Lodging.
- HB 2231: Universities; Water Rights Adjudication (Rep. Griffin; Hereford) A university under the jurisdiction of the Arizona Board of Regents is authorized to offer pro bono assistance to claimants who are small landowners in the general stream adjudication of water rights who are not represented by counsel. Any university that offers such assistance is required to cooperate and coordinate with the faculty of a cooperative extension in Arizona that has a program to support the economic vitality of rural communities and the use of natural resources in those communities. By November 15 of each year, a university that offers such assistance is required to submit a written report of assistance activities to the Governor and the Legislature.

HB 2231 passed the Senate Rules Committee on March 15, 2022.

• HB 2234: Vacation Rentals; Short-Term Rentals; Enforcement (Rep. Kaiser; Phoenix) The bill modifies the list of regulations that counties and municipalities are authorized to impose on vacation rentals or short-terms rentals to include requiring the owner of a vacation rental or short-term rental to maintain liability insurance appropriate to cover the rental in the aggregate of at least \$500,000 or to advertise and offer each vacation rental or short-term rental through a hosting platform that provides equal or greater coverage. Counties and municipalities are authorized to impose civil penalties against an owner of a vacation rental or short-term rental for "verified violations" (defined) of specified provisions. Modifies civil penalties for online lodging operators that fail to comply with applicable transaction privilege tax

requirements. After notice and a hearing, the Department of Revenue is authorized to suspend for a period of 12 months the transaction privilege tax license of the owner of a vacation rental or short-term rental that has three verified violations within the same 12-month period.

HB 2234 passed the House Commerce Committee on February 16, 2022.

• HB 2253: Asbestos Claims; Required Information; Liability (Rep. Grantham; Gilbert) In any action involving a personal injury claim arising from exposure to asbestos, a plaintiff is required to file a sworn statement within 30 days after any asbestos action is filed. The sworn statement is required to specify the evidence that provides the basis for each claim against each defendant and must include a list of specific information. On motion by a defendant, the court is required to dismiss a plaintiff's claim without prejudice if the plaintiff fails to comply with these requirements or dismiss the claim as to any defendant whose product or premises is not identified in the required disclosures. A defendant in any product liability action arising from exposure to asbestos is not liable for exposures from a later-added asbestos-containing product that was manufactured, distributed or sold by a third party. Applies to personal injury claims arising from exposure to asbestos that are filed on or after the effective date of this legislation.

HB 2253 passed the Senate Rules Committee on March 15, 2022.

• <u>HB 2254: Officers Bill of Rights; Preemption (Rep. Grantham; Gilbert)</u> The peace officers bill of rights does not preempt agreements that supplement or enhance its provisions. Previously, it did not preempt agreements that supplant, revise, or otherwise deviate from its provisions.

HB 2254 was signed by the Governor on March 30, 2022.

• HB 2255: Fireworks; Permissible Use; Diwali (Rep. Biasiucci; Lake Havasu City) The bill dictates that the dates that counties with a population of more than 500,000 persons and municipalities within those counties cannot prohibit the sale of permissible consumer fireworks is expanded to include two days before the first day of Diwali through the third day of Diwali, and the dates that those counties and municipalities cannot prohibit the use of permissible consumer fireworks is expanded to include the second and third days of Diwali.

HB 2255 passed the Senate Rules Committee on March 29, 2022.

• HB 2256: Assured Water Supply; Service Area (Rep. Cook; Globe) The bill dictates that for the purposes of determining the physical availability of groundwater to be withdrawn through future wells for all assured water supply determinations, the Director of the Department of Water Resources is required to assume that the service area of a water provider that is a municipality is coterminous with the municipality boundaries, the service area of a water provider that is an improvement district is coterminous with its district boundaries, and that the service area of a water provider that is a private water company regulated by the Corporation

Commission is coterminous with its certificate of convenience and necessity boundaries.

HB 2256 was withdrawn from the House Natural Resources, Energy and Water Committee and further referred to the House Military and Public Safety Committee on February 3, 2022.

HB 2258: Assured Water Supply; Nonlocal Water (Rep. Cook; Globe) The bill dictates that for an application for a certificate of assured water supply that proposes to use a water supply other than groundwater withdrawn from within the active management area in which the proposed development is located, the proposed source must be deemed consistent with the goal of the active management area. If the proposed source is stored water recovered within the area of impact, the proposed source must be deemed physically available and the Department of Water Resources is prohibited from reviewing the physical availability of other sources of water. If a municipal provider proposes to use a source of water in the same water system with Central Arizona Project water, surface water, effluent or groundwater, the proposed source does not affect the continuous, legal and physical availability of the proposed source, without regard to the continuous, legal and physical availability of other supplies within the same municipal provider's water system.

HB 2258 was referred to the House Natural Resources, Energy and Water Committee on January 24, 2022.

HB 2276: State Law; Violation; Schools; Universities (Rep. Fillmore; Apache **Junction)** At the request of a member of the Legislature, the Attorney General is required to investigate any official action taken by the Arizona Board of Regents, a community college district governing board, school district or charter school governing board, university, community college, charter school, or school district school that the member alleges violates state law or the state Constitution. If the Attorney General concludes that there is a violation by ABOR, a university, a community college district, or a community college, the Attorney General is required to impose a civil penalty of an unspecified amount (blank in original) for each month the violation occurs. If the Attorney General concludes that there is a violation by a charter school, school district, or school district school, the Attorney General is required to notify the Arizona Department of Education (ADE), and ADE is required to withhold an unspecified percent (blank in original) of the monthly Classroom Site Fund monies the district or charter school is eligible to receive. [Capitol Reports Note: Some of these provisions were originally signed into law as Laws 2021, chapter 403 (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.1

HB 2276 passed the House Rules Committee on February 22, 2022.

• HB 2321: Short-Term Property Classification (Rep. Kavanagh; Fountain Hills)
The bill dictates that real and personal property and improvements that are rented to lodgers for periods of less than thirty days for a total of more than 120 days in a calendar year and that are valued at full cash value are classified as class one

property, instead of class four property, for property tax purposes. Some exceptions. Applies to tax years beginning with 2023.

HB 2321 was referred to the House Ways and Means Committee on January 20, 2022.

 HB 2327: Drought Mitigation Revolving Fund; Appropriation (Rep. Bowers; Superior) The bill appropriates an unspecified number (blank in original) of billion dollars from the general fund in FY2022-23 to the Drought Mitigation Revolving Fund.

HB 2327 was referred to the House Natural Resources, Energy and Water Committee on January 20, 2022.

- HB 2390: Water Resources Annual Report (Rep. Dunn; Yuma) The bill dictates that the deadline for the Department of Water Resources (DWR) 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 DWR website.
- HB 2409: Multi-County Water Districts; Storage Tax (Rep. Griffin; Hereford)
 The bill dictates that the maximum tax levy for water storage of \$0.04 per \$100 of assessed valuation in a multi-county water conservation district is extended through December 31, 2029, after which the maximum tax levy is reduced to \$0.03 per \$100 of assess valuation. The delayed repeal of statute authorizing the tax levy is extended five years to January 2, 2035.

HB 2409 passed the Senate Rules Committee on March 29, 2022.

HB 2411: Coal Combustion Residuals Program (Rep. Griffin; Hereford) Adds a
new article to Title 49 (The Environment) allowing the Director of the Department of
Environmental Quality to adopt rules to establish and operate a Coal Combustion
Residuals (CCR) Program equivalent to or at least as protective as the federal CCR
Program for the purpose of obtaining approval to operate the federal CCR Program.
Federal CCR regulations may be adopted by reference. The rules are required to
provide requirements for issuing, denying, suspending, or modifying individual CCR
permits, and must include a list of specified provisions.

HB 2411 was approved by the Senate Committee of the Whole on March 30, 2022.

 HB 2412: Open Meetings; Digital Recordings (Rep. Parker; Mesa) All public bodies subject to open meeting law are required to provide for written minutes and an audio or audiovisual recording of all of their meetings, instead of either written minutes or a digital recording. AS PASSED HOUSE

HB 2412 passed the Senate Rules Committee on March 22, 2022.

• HB 2431: Emergency Medical Services; Patient Transport (Rep. Shah; Phoenix) The bill dictates that an emergency medical care technician is required to contact the physician who is providing administrative medical direction or a physician in the base hospital's emergency department if emergency medical services transportation is not provided to a patient. An emergency medical care technician is prohibited from counseling a patient to decline emergency medical services transportation.

HB 2431 was retained on the Senate Committee of the Whole Calendar on March 30, 2022.

• HB 2455: Incorporation; Urban Areas (Rep. Carter; San Tan Valley) Various changes to statutes relating to incorporation. At least six months before publishing a copy of a petition for incorporation of a community, the petitioners are required to provide to the county board of supervisors written notice of their intention to publish a copy of the petition for incorporation, and to publish the written notice for two consecutive weeks in a newspaper of general circulation in the area to be affected. If a planned community association notifies the county board of supervisors of its request to be excluded from a petition to incorporate, the board is required to exclude the area covered by the planned community association from the petition. Uninhabited, rural or farm lands may be included in an area to be incorporated if the lands have been platted and approved by the county board of supervisors for housing or commercial development before filing an incorporation petition, or if the current owner of the lands agrees to include the property and provides a written, notarized statement supporting the inclusion. AS PASSED HOUSE

HB 2455 passed the Senate on March 31, 2022. Ready for Governor.

- HB 2510: Rural Management Areas (Rep. Biasiucci; Lake Havasu City) The bill dictates that a county board of supervisors in a county outside of an active management area and that contains or is bordered by the Colorado River may designate by resolution one or more groundwater basins or subbasins in the county as a rural management area if the board finds that one or more of a list of specified conditions exist. A process for the board to adopt the resolution is established. including public notice, public meetings and a majority vote. The resolution is required to provide for the formation of a 5-member rural management area advisory council to establish management goals for the rural management area and identify best management practices to achieve the goals. The advisory council is required to submit a proposed management plan to the Department of Water Resources (DWR), and DWR is required to take action on the plan within 30 days after receipt. On approval by DWR, the plan applies in the rural management area. Of the monies remining in the State Lottery Fund each fiscal year after appropriations and other statutory deposits, \$50 million is deposited in the newly established DWR Heritage Fund and spent to implement and support rural management areas.
- HB 2528: Area Agencies on Aging; Appropriation (Rep. A. Hernandez; Tucson)
 The bill appropriates \$1.5 million from the general fund in FY2022-23 to the
 Department of Economic Security to distribute to area agencies on aging for home

and community-based services. The Legislature intends that this appropriation be considered ongoing funding in future years.

HB 2528 passed the Senate Appropriations Committee on March 31, 2022.

HB 2556: Water Infrastructure Finance; Sunset Repeal (Rep. Griffin; Hereford)
 The bill repeals the statutory termination date of July 1, 2022 for the Water
 Infrastructure Finance Authority. Retroactive to July 1, 2022.

HB 2556 was signed by the Governor on March 25, 2022.

• HB 2560: Appropriation; DWR; Water Efficiency Projects (Rep. Dunn; Yuma)
The bill appropriates \$1 million from the general fund in FY2022-23 to the
Department of Water Resources (DWR) to identify water efficiency projects that
have significant potential for water savings but that also have legal impediments
hindering implementation. DWR is required to identify possible solutions to
overcome the legal impediments that hinder implementation of the water efficiency
projects, and is required to submit a report of its findings to the Governor and the
Legislature by March 1, 2023.

HB 2560 passed the Senate Appropriations Committee on March 23, 2022.

• HB 2583: DUI Information; Annual Report; ACJC (Rep. Kavanagh; Fountain Hills) The Arizona Criminal Justice Commission is required to submit an annual report relating to driving under the influence information to the Governor and the Legislature. Information that must be contained in the report is listed. Effective January 1, 2023.

HB 2583 passed the Senate Appropriations Committee on March 30, 2022.

• HB 2587: Public Records; Point of Contact (Rep. Grantham; Gilbert) Any entity that is subject to a public records request is required to provide the name and contact information of the employee who is authorized and able to provide the information requested. An employee who is authorized and able to provide public records information is required to reply within five business days acknowledging receipt of the request.

HB 2587 passed the Senate Rules Committee by March 29, 2022.

HB 2606: School Districts; Housing Facilities; Teachers (Rep. John; Buckeye)
 School district governing boards are authorized to construct or provide housing
 facilities for teachers and other school employees that the board determines are
 necessary to operate the school. Previously, only districts in rural areas were
 authorized to do so.

HB 2606 was referred to the House Ways and Means Committee on January 27, 2022.

 HB 2624: Local Government; Law Enforcement Expenditure Amount (Tech Correction; State Facilities)(Rep. Blackman; Snowflake) Minor change in Title 41 (State Government) related to management of state properties. Apparent striker bus.

HB 2624 was retained on the House Committee of the Whole Calendar on February 28, 2022.

• HB 2625: Vacation Rentals; Short-Term Rentals; Regulations (Rep. Biasiucci; Lake Havasu City) The list of purposes for which counties and municipalities are permitted to regulate vacation rentals and short-term rentals is expanded to include requiring the owner to provide contact information for the owner or the owner's designee to all property owners within 300 feet of the vacation rental or short-term rental property, requiring the owner to display a sign attached to the property near the front door that contains a local 24-hour emergency contact number, and requiring the owner to obtain and maintain a local regulatory permit or license before offering the property for rent.

HB 2625 passed the House Appropriations Committee on February 17, 2022.

HB 2660: Liquor; Licensing; Processes; Procedures (Rep. Weninger; **Chandler)** Various changes to statutes relating to liquor licenses. The owner or management of a regional shopping center that encompasses at least 400,000 square feet of retail space is authorized, on behalf of retail licensees located at the shopping center, to apply for an extension of premises to allow on-sale retail liquor licensees to sell spirituous liquor and to allow patrons to consume spirituous liquor throughout a designated pedestrian area of the regional shopping center. The application process is specified, including review by the local governing body and submission of plans or diagrams designating the specific extension of premises requested. Establishes conditions for an extension of premises. Bar or liquor store licensees are allowed to decline to lease the licensee's privilege of selling mixed cocktails for consumption off the licensed premises, and a process for a licensee to decline is specified. A bar or liquor store licensee declining a lease is final and cannot be reversed. On a bar or liquor store licensee declining a lease and surrendering its privilege to lease, the Department of Liquor Licenses and Control (DLLC) is required to convey the privilege of selling mixed cocktails for off-premises consumption to the restaurant licensee that is approved for the lease. If a restaurant licensee's application for a lease is approved but the bar or liquor store licensee declines the lease, the lease payment received by DLLC accumulates during the calendar year and must be paid on a fractional basis to all bar and liquor store licensees that have leases. An on-sale spirituous liquor licensee is authorized to apply to DLLC to extend the licensed premises on an individual day or hour basis or on a regular recurring basis. Application requirements are specified, including requirements for a security plan for the extended premises. The Governor is authorized to issue an executive order that extends the closing time of liquor licensees until 3AM for spirituous liquor sales in connection with a professional or collegiate national sporting championship event held in Arizona. AS PASSED HOUSE

HB 2660 passed the Senate Rules Committee on March 15, 2022.

• HB 2663: Short-Term Rentals; Vacation Rentals; Licensing (Rep. Kavanagh; Fountain Hills) Counties and municipalities are authorized to require the owner of a vacation rental or short-term rental to obtain and maintain a local regulatory permit or license issued by the county or municipality before offering a vacation rental or short-term rental for rent. Counties and municipalities are authorized to require the owner of a vacation rental or short-term rental to provide proof of a valid transaction privilege tax license. Counties and municipalities are authorized to require the owner of a vacation rental or short-term rental to offer the rental for a minimum two-night rental period. Counties and municipalities are authorized to limit the percentage of vacation rentals or short-term rentals based on the total housing stock in that county or municipality. Vacation rentals and short-term rentals are not residential rental dwelling units and are subject to the health and safety regulations prescribed for the transient lodging classification.

HB 2663 passed the House Government and Elections Committee on February 17, 2022.

HB 2671: Appropriation; WQARF; Treated Recycled Wastewater (Rep. Osborne; Goodyear) The bill dictates that by June 30, 2024, the Department of Environmental Quality is required to adopt all necessary rules, including permitting standards and the application process, for the direct potable use of treated recycled wastewater. Appropriates \$250,000 from the general fund in each of FY2022-23 and FY2023-24 to the Water Quality Assurance Revolving Fund.

HB 2671 was referred to the House Natural Resources, Energy and Water Committee on February 3, 2022.

• HB 2725: Arizona Water Authority (Rep. Griffin; Hereford) Establishes an Arizona Water Authority, to be governed by a nine-member Board of Directors. Appropriates an unspecified amount (blank in original) from the general fund in FY2022-23 to the Water Supply Development Revolving Fund.

HB 2725 was referred to the House Natural Resources, Energy and Water Committee on February 9, 2022.

HB 2746: Tobacco Use; Minimum Age; Sale (Rep. Blackman; Snowflake)
 Increases the minimum legal age to purchase or possess a tobacco product, vapor product, and related paraphernalia to 21 years of age, from 18 years of age.

HB 2746 passed the Senate Appropriations Committee on March 31, 2022.

• HB 2787: Maricopa County; Division; New Counties (Rep. Hoffman; Queen Creek) The bill 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 continues full jurisdictional operation for all four counties until a special election held within 120 days after the effective date of this legislation to elect new county boards of supervisors. 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. Effective January 1, 2023.

HB 2787 passed the House Rules Committee on February 21, 2022.

- HCR 2006: Short-Term Rentals; Vacation Rentals (Rep. Butler; Phoenix) The bill dictates that the 2022 general election ballot is to carry the question of whether to amend the state Constitution to repeal 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. Land use laws that regulate a vacation rental or short-term rental are excluded from statute entitling a property owner to just compensation if existing rights to use private real property are reduced by the enactment of any 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.
- HCR 2028: Minimum Law Enforcement Expenditure Amount (Rep. Blackman; Flagstaff) The bill dictates that the 2022 general election ballot is to carry the question of whether to amend the state Constitution to require the Economic Estimates Commission to determine a minimum law enforcement expenditure amount by adjusting the amount of local law enforcement services spending for each county and municipality for FY2019-20 to reflect the changes in the population and the cost of providing local law enforcement services. County and municipal governing bodies are prohibited from authorizing total law enforcement expenditures that are less than the minimum law enforcement expenditure amount for the county or municipality.

HCR 2028 passed the House Rules Committee on February 21, 2022.

• SB 1026: Vacation Rentals; Short-Term Rentals; Repeal (Sen. Rogers; Flagstaff) The bill repeals statute that prohibits municipalities and counties from prohibiting vacation rentals or short-term rentals and that restricts the types of regulations that municipalities and counties may impose on vacation rentals or short-term rentals.

SB 1026 was referred to the Senate Commerce Committee on January 10, 2022.

• SB 1033: Riot; Unlawful Assembly; Classification; Liability (Sen. Rogers; Flagstaff) The bill 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.

SB 1033 was referred to the Senate Judiciary Committee on January 10, 2022.

• SB 1052: Medical Procedures; Prohibitions (Sen. Townsend; Apache Junction)

The bill dictates that the state, any political subdivision of the state that receives and uses tax revenues, and any person doing business in Arizona are prohibited from requiring any Arizona resident to submit to a medical procedure, including a vaccination, if a potential complication from or adverse reaction to the medical procedure may cause the person's death. Also repeals statute prohibiting state and local governments from establishing a COVID-19 vaccine passport, from requiring any person to be vaccinated for COVID-19, and from requiring a business to obtain proof of the COVID-19 vaccination status of any patron entering the business establishment, which was originally signed into law as Laws 2021, chapter 409 (part of the FY2021-22 budget), but was deemed unconstitutional by the Arizona Supreme Court in Arizona School Boards Association et al v. State of Arizona.

SB 1052 was referred to the Senate Health and Human Services Committee on January 10, 2022.

SB 1053: Religious Exemption; Vaccine; Violation; Classification (Sen. Townsend; Apache Junction) The bill dictates that the state, any political subdivision of the state that receives and uses tax revenues, and any person doing business in Arizona are prohibited from requiring any Arizona resident to submit to a medical procedure, including a vaccination, if a potential complication from or adverse reaction to the medical procedure may cause the person's death. Also repeals statute prohibiting state and local governments from establishing a COVID-19 vaccine passport, from requiring any person to be vaccinated for COVID-19, and from requiring a business to obtain proof of the COVID-19 vaccination status of any patron entering the business establishment, which was originally signed into law as

Laws 2021, chapter 409 (part of the FY2021-22 budget), but was deemed unconstitutional by the Arizona Supreme Court in Arizona School Boards Association et al v. State of Arizona.

SB 1053 passed the Senate on February 23, 2022. Ready for House.

• <u>SB 1067: Water Infrastructure Finance Authority; Cities (Sen. Shope; Coolidge)</u>
The bill dictates that municipalities with a population of more than 150,000 persons are no longer required to get voter approval before entering into a financial assistance loan repayment agreement with the Water Infrastructure Finance Authority. Emergency clause.

SB 1067 passed the House and was returned to the Senate for concurrence in House amendments on March 31, 2022.

• SB 1108: Online Lodging; Regulation; Property Classification (Sen. Mendez; Tempe) The bill 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. Real and personal property and improvements that are used for residential purposes, that are solely leased or rented to lodgers for periods of less than thirty days and that are valued at full cash value are classified as class one property, instead of class four property, for property tax purposes. Some exceptions.

SB 1108 was referred to the Senate Finance Committee on January 10, 2022.

• SB 1117: Insurance Fees; Disclosure (Sen. Livingston; Peoria) An insured is no longer required to agree in writing to a fee or service charge for an insurance transaction for an insurance producer to be allowed to charge the fee or service charge.

SB 1117 was referred to the House Ways and Means Committee on March 8, 2022.

• SB 1129: Housing Trust Fund Transitional Housing (Sen. Rogers; Flagstaff)

The bill dictates that 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.

SB 1129 passed the Senate on February 23, 2022. Ready for House.

• SB 1147: Pest Management; Certified Applicator; Fingerprinting Harquahala Non-Expansion Area; Groundwater Transportation (Sen. Kerr; Buckeye) An applicant for certification as a new pesticide applicator or a new qualified pesticide applicator is allowed to meet the fingerprint requirement by submitting a current, unexpired fingerprint clearance card. Session law requires the Pest Management

Division to approve or deny an application for certification as a new applicator within 120 days after the application is received. This requirement self-repeals July 1, 2023. Emergency clause. AS PASSED SENATE

SB 1147 was signed by the Governor on March 23, 2022.

• SB 1152: Zero Emission Vehicles (Sen. Steele; Tucson) In coordination with the Department of Environmental Quality and the 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 to at least 100,000 by 2028, 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.

SB 1152 was referred to the House Natural Resources, Energy and Water Committee on March 9, 2022.

• SB 1154: Transportation Electrification Study Committee (Sen. Steele; Tucson) 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, 2023, and self-repeals October 1, 2024.

SB 1154 passed the Senate on February 23, 2022. Ready for House.

• SB 1158: Attorney Fees; Costs; Recovery (Sen. Leach; Tucson) A court is required to award fees and other expenses to a party that prevails in a civil action brought by that party seeking declaratory or injunctive relief against the state, a county, or municipality for an action that violates the U.S. Constitution, the state Constitution, or a state law.

SB 1158 failed to pass the Senate on February 9, 2022.

• SB 1166: Public Employers; Union Contracts (Sen. Leach; Tucson) The bill dictates that public employers are prohibited from spending public monies for "union activities" (defined). A public employer is prohibited from entering into an employment contract with a public employee to engage in union activities or provide paid leave or any form of compensation to engage in union activities. An employment contract that violates this prohibition is void and unenforceable. Any Arizona resident and the Attorney General have standing in any court of record to bring suit against any public employer of Arizona to remedy any violation. If a court finds that a public employer has violated this prohibition, the court is required to award reasonable attorney fees and costs to the party who brought the action. Does not apply to any existing employment contract that is in effect before the effective date of this legislation, but any existing employment contract that conflicts with this

legislation cannot be renewed or extended. Severability clause. Contains a legislative intent section.

SB 1166 passed the Senate on March 31, 2022. Ready for Governor.

SB 1168: Vacation Rentals; Short-Term Rentals; Enforcement (Sen. Mesnard; Chandler) The bill modifies the list of regulations that counties and municipalities are authorized to impose on vacation rentals or short-terms rentals to include requiring the owner of a vacation rental or short-term rental to maintain liability insurance appropriate to cover the rental in the aggregate of at least \$500,000 or to advertise and offer each vacation rental or short-term rental through a hosting platform that provides equal or greater coverage. Counties and municipalities are authorized to impose civil penalties against an owner of a vacation rental or short-term rental for "verified violations" (defined) of specified provisions. Modifies civil penalties for online lodging operators that fail to comply with applicable transaction privilege tax requirements. After notice and a hearing, the Department of Revenue is authorized to suspend for a period of 12 months the transaction privilege tax license of the owner of a vacation rental or short-term rental that has three verified violations within the same 12-month period.

SB 1168 passed the House Rules Committee on March 29, 2022.

• SB 1209: Tobacco Use; Sale; Minimum Age (Sen Pace; Mesa) Increases the minimum legal age to purchase or possess a tobacco product, vapor product, and related paraphernalia to 21 years of age, from 18 years of age.

SB 1209 was referred to the Senate Commerce Committee on January 18, 2022.

• SB 1241: Gift Clause; Violation; Statute; Limitation (Sen. Pace; Mesa) The bill dictates that an action against a public entity or public employee that alleges a violation of the state Constitutional ban on public gifts or loans of credit is required to be brought within 30 days after the cause of action accrues.

SB 1241 was referred to the Senate Commerce Committee on January 20, 2022.

• SB 1245: Tobacco; Vapor; Alternative Nicotine; Regulation (Sen. Leach; Tucson) The bill would make it unlawful for a retail tobacco vendor or their representative to sell or provide an "alternative nicotine products," "tobacco products," or "vapor products" (all defined) to persons under 21 years of age. The powers and duties of the Department of Liquor Licenses and Control (DLLC) are expanded to include enforcing statute regulating alternative nicotine products, tobacco products, or vapor products. Beginning January 1, 2024, a retail tobacco vendor is prohibited from distributing alternative nicotine products, tobacco products or vapor products in Arizona without a valid tobacco retail sales license issued by DLLC. DLLC is authorized to determine the fee for an application for an initial license or renewal license. A license is valid for one year and is not transferable. Establishes requirements for licensees to obtain identification from a person ordering or

purchasing these products in order to determine that the person is not under the legal use age. Establishes civil penalties for violations and conditions under which a license may be suspended or revoked. Establishes appeal rights and procedures. Various regulations of tobacco products are expanded to include alternative nicotine products and vapor products. Declares that the regulation of the sale and marketing of alternative nicotine products, tobacco products, and vapor products is a matter of statewide concern and is not subject to the authority of counties and municipalities.

SB 1245 was retained on the Senate Committee of the Whole Calendar on February 24, 2022.

SB 1258: Government Membership Organizations; Transparency (Sen. Mesnard; Chandler) The bill dictates that a paid membership organization composed of the state, counties, municipalities, school districts, or other political subdivisions is added to the definition of "public body" for the purpose of public records laws.

SB 1258 failed to pass the Senate on March 7, 2022.

• SB 1263: Housing Trust Fund; Shelter Services (Sen. Livingston; Peoria) At least 50 percent of the monies transferred to the Housing Trust Fund from the Arizona Industrial Development Authority must be used to support emergency and transitional homeless shelter services.

SB 1263 passed the House Appropriations Committee on March 24, 2022.

• SB 1267: Property; Classification; Primary Residence (Sen. Livingston; Peoria)
For the purpose of property tax classification, class 3 property must be used for residential purposes. When determining if a property has had a change of use, a change in the occupant or classification of a single-family residence is not a change in use, in and of itself.

SB 1267 was retained on the House Committee of the Whole Calendar on March 17, 2022.

• SB 1372: TPT; Exemptions; Motor Vehicles; Nonresidents (Sen. Pace; Mesa)
The Department of Transportation is authorized to establish a special five day
nonresident registration permit, and to establish by rule a fee for the permit. The list
of exemptions from the retail classification of transaction privilege taxes is expanded
to include sales of commercial motor vehicles to nonresidents of Arizona if the
commercial vehicle has a gross vehicle weight rating of more than 10,000 pounds
and is used to maintained to transport passengers or property in the furtherance of a
commercial enterprise, and to include sales of automobiles of trucks to nonresidents
when the nonresident purchaser has obtained a special five day nonresident
registration permit.

SB 1372 was signed by the Governor on March 23, 2022.

• SB 1382: Municipal Employee Assistance; Notice (Sen. Mesnard; Chandler) On all applications for a permit, license, or other authorization issued by a municipality, the municipality is required to print a notice of the requirement for the municipality to provide the name and contact information of the employee who is authorized to provide specified information in any written communication.

SB 1382 passed the House on March 31, 2022. Ready for Governor.

SB 1443: Solid Waste; Long-Term Care Facilities (Sen. Pace; Mesa)
 Municipalities cannot prohibit or unreasonably restrain a private enterprise from delivering recycling or solid waste management services to "long-term care facility properties" (defined) in the municipality.

SB 1443 was referred to the Senate Natural Resources, Energy and Water Committee on January 26, 2022.

SB 1496: Remote Sellers; TPT; Administration (Sen. Leach; Tucson) The bill dictates that if another state tax agency extends comity to Arizona in the tax administration for remote sellers, the Department of Revenue (DOR) 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. DOR is required to cooperate with other state tax agencies to develop a "central clearinghouse" (defined). If a central clearinghouse is established, DOR is required to use the central clearinghouse to accept all tax returns and remittances for remote sellers. Beginning in calendar year 2023, 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 2023 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.

SB 1496 was assigned to the Senate Finance Committee on January 27, 2022.

• SB 1531: Housing Trust Fund; Unclaimed Property (Sen. Alston; Phoenix) 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.

SB 1531 was referred to the Health and Human Services Committee on March 8, 2022.

• SB 1581: Strike Everything Amendment (Sen. Livingston; Peoria) The bill provides grants to establish sanctioned camping sites for homeless individuals if a municipality prohibits sleeping and camping in public places that are not designated as sanctioned camping sites.

SB 1581 passed the House Appropriations Committee on March 24, 2022.

• SB 1595: Irrigation Districts; Uses; Drainage Permit (Sen. Kerr; Buckeye) An industrial user or a municipal water provider are allowed to obtain groundwater delivery service from an irrigation district that qualifies for an exemption from irrigation water duties if the irrigation district holds a drainage water withdrawal permit and meets all of a list of specified conditions. If the industrial use for which service from the irrigation district is sought is located within a municipality, the industrial user must first request service from that municipality or a private water company servicing the location of the proposed use.

SB 1595 was referred to the Senate Natural Resources, Energy and Water Committee on February 1, 2022.

• SB 1600: Water Recharge; Direct Use (Sen. Shope; Coolidge) For the purpose of statute governing underground water storage, the definition of "water that cannot reasonably be used directly" is expanded to include the amount of Central Arizona Project water stored underground during the calendar year by a municipal provider in an active management area that does not have a management goal of achieving or maintaining a safe yield condition, in the active management area in which the municipal provider's service area is located.

SB 1600 was referred to the Senate Natural Resources, Energy and Water Committee on February 1, 2022.

• SB 1611: Arizona Water Authority (Sen Kerr; Buckeye) Establishes an Arizona Water Authority, to be governed by a nine-member Board of Directors. Appropriates an unspecified amount (blank in original) from the general fund in FY2022-23 to the Water Supply Development Revolving Fund.

SB 1611 was referred to the Senate Natural Resources, Energy and Water Committee on February 1, 2022.

SB 1625: Public Officers; Announcements; Restrictions (Sen. Mesnard;
 Chandler) For any publication, resource or public service announcement that is
 issued by a public officer and that is distributed free of charge or through the use of
 taxpayer resources, the public officer is prohibited from including in the
 announcement the public officer's name or likeness but may use the name of the
 public officer's office.

SB 1625 passed the Senate Rules Committee on February 23, 2022.

• SB 1634: Municipal Real Property; Sale; Valuation (Sen. Shope; Coolidge) 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.

SB 1634 was withdrawn from the Senate Finance Committee and further referred to the Senate Appropriations Committee on February 17, 2022.

SB 1702: Impounds; Release; Owners; Spouse; Notice (Sen. Gonzales; Tucson) The written notice of immobilization or storage that an immobilizing or impounding agency is required to mail or personally deliver to a vehicle owner after immobilization or impoundment is required to include a statement as to how the owner, the owner's spouse, the owner's agent, or a person identified in Department of Transportation record as having an interest in the vehicle may retrieve the vehicle. AS PASSED SENATE

SB 1702 passed the House Transportation Committee on March 24, 2022.