



LEGISLATIVE BULLETIN

Issue 7 – February 28th, 2020

Legislative Overview

Today is the 47th day of the legislative session. Yesterday was the conclusion of cross-over week, where both chambers spent several hours on the floor debating and voting on bills to send to the opposite chamber. Next week committees in both chambers will start hearing bills from the opposite chamber. Rumors of the introduction of the budget are circulating and we may see action in the next few weeks.

Municipal Zoning

HB2841 municipal zoning; housing overlay, sponsored by Representative Anthony Kern (R-Glendale), has met stiff opposition in the House due to the preemption of local zoning, design and open space requirements that are essential for housing developments. The bill was heard in both the Republican and Democratic caucus meetings this week, where several members on both sides stated their opposition to the bill. If the bill moved forward in its current form, it will likely not receive the votes needed to pass out of the chamber.

The bill was proposed by the Home Builders Association of Central Arizona as a solution to the increasing affordable housing concerns in the state. They have indicated they will amend the bill to turn the issue into a study committee to meet in the interim. The bill will proceed to the floor, where this amendment could be offered.

Heritage Fund

HB2551 appropriation; state parks; heritage fund, sponsored by Representative Joanne Osborne (R-Goodyear). It appropriates \$10M to the State Parks Heritage Fund to support outdoor recreation and open space development, historic preservation, trails and environmental education. The fund was reestablished last year after it was repealed during the recession and the legislature stopped the Lottery monies from being deposited in the fund. The bill received a vote in the House, and it passed 54-6. It now proceeds to the Senate.

Gas Tax

This week, HB2899 fuel; electric cars; hybrids; taxes sponsored by Representative Noel Campbell (R-Prescott) made it past another hurdle by clearing the House Rules committee with discussion in both Republican and Democratic caucus meetings.

The measure's intent is to increase HURF revenues to address the road maintenance needs of the state by bringing parity for all vehicles that use Arizona roads by imposing a user fee for electric and alternative fuel vehicles. Additionally, the measure increases the gas tax by six cents per year for three years capping at 36 cents.

During caucus, legislators expressed both support for the measure and concerns about raising the current gas tax before making use of other funding sources to address the state's maintenance needs. Approximately two-thirds of municipalities have reported \$5.4 billion total in both deferred maintenance needs and transportation projects. The League continues to be in support of HB2899 and will advocate to advance the measure forward.

Private Attorneys Contingency Fee Arrangements

In our [February 7, 2020](#) Legislative Bulletin we discussed SB1459 private attorney retention; municipalities; counties sponsored by Senator Vince Leach (R-Tucson). Since the initial version was drafted, the proponents of this bill have offered an amendment that would remove the requirement to receive permission from the attorney general to enter into contingency fee lawsuits. While the proponents have suggested they have addressed the League's primary concerns, we do not agree. In fact, the League does not support any part of the bill and believe it is unnecessary legislation.

Particularly the proponents have suggested this bill is about transparency. The reality is all attorney contracts a local government engages in requires that we share the cost of the contract either on our public website or through a public records request.

The proponents have suggested that this bill would not prohibit a local government from engaging in class action lawsuits like the ones engaged in on the tobacco, the subprime mortgage, or the opioid industries. However, every example cited by the proponents regarding the activity they are trying to limit is or was a federal class action lawsuit.

The League has been meeting with members indicating we have a responsibility to the taxpayer when bad actors impact our communities and this bill is bad for the taxpayer. SB1459 went through Senate Republican and Democratic caucus meetings this week; however, it has not proceeded to the Senate floor for a vote.

The League has created a [policy paper](#) identifying the issue and why we are opposed. Please notify your legislators that this measure is bad for Arizona taxpayers.

Legislative Bill Monitoring

All bills being actively monitored by the League [can be found here](#).

Legislative Bulletin is published by the League of Arizona Cities and Towns.
Forward your comments or suggestions to league@azleague.org.