



Issue 1 – January 15, 2021

Legislative Update

Today is day five of the first session of the 55th Legislature. This week both chambers held the swearing-in ceremony for newly elected lawmakers on Monday to a restricted audience in the galleries and hosted a viewing of the governor's annual state of the state address, which was broadcast live on YouTube from his office. This year's ceremony was vastly different than the traditional pomp and circumstance of previous years, to comply with social distancing measures - limited attendance, a mostly masked audience of lawmakers, and some choosing to participate over Zoom from their capitol office. The governor's speech was unusually brief, with COVID-19 at the forefront, and highlighting the progress on vaccine distribution, economic recovery, and previewing his legislative agenda for the session. A full transcript of the speech can be accessed at this ([link](#)).

PSPRS Cancer Insurance Fund

On Wednesday, the Senate Finance Committee considered SB1043 public safety; cancer insurance; eligibility sponsored by Senator David Livingston (R-Peoria). Since the mid-1990's employers have paid an annual amount into the Cancer Insurance Fund for each of their public safety employees. The fund was established to cover out-of-pocket medical costs, up to \$100,000, if they were diagnosed with cancer. Senator Livingston's proposal would extend this program to retirees with the program being subsidized by the employers.

The League identified concerns with this proposal because the plan was not established to cover this larger group of employees and would result in employers increasing their annual contributions as well as a more expedited depletion of the fund. The sponsor has committed to stakeholder meetings on the issue. The bill passed out of committee 7-2-1.

PSPRS Health Benefit Subsidy

Also, on Wednesday, the Senate Finance Committee considered SB1045: defined contribution; health subsidy; disability sponsored by Senator David Livingston. This bill aims to extend the health benefit subsidy offered to public safety employees enrolled in the PSPRS defined benefit plan to public safety employees who are enrolled in the PSPRS defined contribution plan.

During pension reform in 2016, language was included in statute that precluded defined contribution plan participants from receiving the health benefit subsidy. Consequently, this new benefit has not been funded and would result in increased contribution rates by the employer by 0.27% per year. The League signed in opposition to the bill and the sponsor has committed to stakeholder meetings on the issue. The bill passed out of committee 6-2-2.

Executive Budget

The executive budget includes the following items of interest to cities and towns:

- Unspecified income tax cuts beginning in 2022 and growing by \$200M per year for a total of \$600M by 2024 (2022 = \$200M, 2023 = \$400M, 2024 = \$600M, 2025 & Beyond = \$600M)
- \$10M for rural broadband grants
- \$5M to fully fund the Water Quality Assurance Revolving Fund
- \$16M each year from 2022 through 2024 to update public safety radio networks
- \$64M for I-17 construction
- \$33.1M for broadband corridor on I-40 west of Flagstaff to the Arizona border

Session Deadlines

Every session has deadlines pertaining to bill submissions and hearings. This year, the schedule is as follows:

January

1/11 – First day of session

1/21 – House 7-bill Introduction Limit Begins (5 p.m.)

*prior publications noted 1/14, this deadline has been extended by one week

February

2/1 – Senate Bill Introduction Deadline (5 p.m.)

2/8 – House Bill Introduction Deadline (5 p.m.)

2/15 - 2/19 – Last week to hear bills in the chamber of origin

March

3/22 – 3/26 – Last week to hear bills in the opposing chamber

April

4/16 – Last Day for Conference Committees

4/20 – 100th Day of Session

Monday Legislative Update Calls

The League will continue to host a weekly conference call to report on the status and impact of various bills in the 2021 session. The calls are scheduled for Monday mornings at 10:00 a.m. However, because of Opening Day and State of the State Address, and the Martin Luther King, Jr. holiday, the first call will be held at **10:00 a.m. on Tuesday, January 19**. Mayors, councilmembers, managers and other city or town staff who are interested in legislative activities are invited to participate. Call-in numbers and a brief agenda will be sent out prior to the calls. If you would like to receive the Monday agendas, please contact league@azleague.org and request to be added to the distribution list for the Monday conference call.

Legislative Intern

The League is pleased to welcome Katherine Compton as the 2021 APS Legislative Intern. Katherine is from Yuma and is a junior at Arizona State University. She is studying public service & public policy and business law. She previously interned for the mayor's office in the city of Phoenix and with the American Indian Policy Institute. During this legislative session, she is looking forward to learning more about the balance of municipal decision-making and state authority. We are excited and proud to have her on the legislative affairs team this session.

Your Voice at the Capitol

The 2021 edition of [Your Voice at the Capitol](#), our listing of state senators and representatives is available here. Please use this document to access contact information for your delegation. Early contact with your legislators is strongly recommended to establish a relationship with the elected officials representing your district. Maintaining good communications with your legislators provides them with valuable insight as to how proposed legislation may impact the communities in their districts.

Additionally, you can contact our legislative division at (602) 258-5786 or email using the information below:

Nick Ponder, legislative director: nponder@azleague.org

Tom Savage, senior legislative associate: tsavage@azleague.org

Roxanna Pitones, legislative associate: rpitones@azleague.org

Katherine Compton, legislative intern: legisintern@azleague.org

Legislative Bill Monitoring

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